United Nations A/AC.96/1144

General Assembly

Distr.: General
3 July 2015
English
Original: English and French

Executive Committee of the
High Commissioner's Programme
Sixty-sixth session
Geneva, 5 to 9 October 2015
Item 5 of the provisional agenda
Consideration of reports on the work of the Standing Committee

Report of the sixty-second meeting of the Standing Committee (3-5 March 2015)

GE.15-10841 (E)
1510841

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Contents

Chapter		*Paragraphs*	*Page*
I.	Introduction	1-4	3
II.	Adoption of the agenda of the sixty-second meeting and the 2015 work programme	5	3
III.	Regional activities and global programmes	6-40	4
	A. Strategic presentations	6-34	4
	(a) Africa	7-12	4
	(b) Americas	13-16	5
	(c) Asia and the Pacific	17-21	6
	(d) Middle East and North Africa	22-28	7
	(e) Europe	29-34	8
	B. Emergency preparedness and response	35-37	10
	C. Global programmes	38-40	10
IV.	Management, financial control, administrative oversight and human resources	41-46	11
	A. Follow-up to the recommendations of the Board of Auditors on the financial statements for previous years	41-44	11
	B. Oral update on the work of the Inspector General's Office	45-46	12
V.	Coordination and strategic partnerships	47-52	12
VI.	International protection	53-59	14
	A. Oral update on follow-up to the High Commissioner's Dialogues on Protection Challenges (2012-2014)	53-55	14
	B. Oral update on the ExCom conclusion	56-59	14
VII.	Programme budgets and funding	60-63	15
VIII.	Any other business	64	16
Annex			
	Decision on budgets and funding for 2014 and 2015		17

I. Introduction

1. The Chairperson of the Executive Committee, Ambassador Pedro Comissário (Mozambique), opened the meeting and welcomed Angola, Jamaica and Uruguay as new observers. The Vice Chairperson, Ambassador Carsten Staur (Denmark), chaired the meeting on the second day.

2. The Chairperson first touched upon several matters related to the membership and working of the Executive Committee. In December 2014, the General Assembly approved an expansion of the Committee's membership from 94 to 98 States, and it was expected that the Economic and Social Council would soon approve the applications of Armenia, Chad, Georgia and Uruguay. In relation to the Executive Committee Bureau, the Chairperson advised that the second Vice Chairperson, Ambassador Elissa Golberg, recently had been reassigned to a new position. Upon the arrival of her successor in the near future, the Committee would hold an election for the position of second Vice Chairperson.

3. The Chairperson formally welcomed the Assistant High Commissioners for Operations and for Protection, who recently had been appointed by the Secretary-General. Anticipating a close collaboration between the Committee and the new Assistant High Commissioners, the Chairperson noted that their appointments came at a time of significant financial and operational challenges for UNHCR.

4. With the Office working to provide protection, assistance and solutions to an unprecedented number of people of concern – 46 million world-wide – and despite continued generosity by an expanding base of donors, the Office's budgetary shortfall was concerning. Acknowledging the letter of 17 February 2015 from the High Commissioner to Member States on the adverse effect of currency fluctuations on the value of voluntary contributions, the Chairperson requested that the Deputy High Commissioner update the Committee on efforts to mitigate the potential impact upon UNHCR's beneficiaries. The Deputy High Commissioner recalled that the Executive Committee had approved a revised budget of more than US$ 6.2 billion for 2015. Even if donors were to maintain the same level of contributions made in 2014 (approximately US$ 3.3 billion), the impact of currency changes would result in a loss of effective purchasing power of nearly US$ 200 million. In response, the Office had initiated a range of cost-saving measures to minimize impact upon delivery in the field. These included across-the-board reductions for both headquarters and country operations in administrative expenditures and travel allocations, as well as the draw-down of stockpiles and the postponement of vehicle purchases or replacements. UNHCR would ensure that cost-cutting would be predictable, careful and calibrated, and would keep the Committee informed throughout the year.

II. Adoption of the agenda of the sixty-second meeting and of the 2015 work programme

5. The Committee adopted the agenda for the meeting (EC/66/SC/CRP.1) and the 2015 work programme (EC/66/SC/CRP.2) as presented.

III. Regional activities and global programmes

A. Strategic presentations

6. Introducing the discussion on regional activities and global programmes, the Assistant High Commissioner (Operations) drew attention to both the spiral of continuing, escalating and new emergencies and the critical resource situation that UNHCR faced, with gaps in some circumstances of up to 50 per cent of needs. He expressed deep appreciation to asylum countries, which had maintained open borders and provided safety to those fleeing conflict and persecution, as well as for the efforts of humanitarian workers, including UNHCR staff.

(a) Africa

7. The Officer-in-Charge of the Regional Bureau for Africa noted that UNHCR's operations in the region continued to be dominated by new and ongoing crises, including in Central Africa Republic, the Democratic Republic of Congo, Nigeria and South Sudan, as well as protracted situations. The situation in Nigeria, in particular, was of growing concern to UNHCR, and had major regional implications. She welcomed a number of regional initiatives to address displacement and statelessness, and reported that the protection framework in the region remained strong. She also commended the exceptional generosity of the African governments and people, and emphasized the importance of partnerships, including with development actors.

8. Delegations expressed serious concern about the scale and volatility of the crises in Africa, particularly in the Central African Republic, Nigeria and South Sudan. They recognized the burden that refugee populations place on host communities and ecosystems, and commended States for upholding their international commitments. There was concern that the humanitarian response in north-eastern Nigeria had been relatively slow, and UNHCR was urged to scale-up its response. The use of biometrics to facilitate registration and verification was welcomed, as was the memorandum of understanding between UNHCR and Sudan for the registration of refugees from South Sudan.

9. Despite the challenges posed by emergency situations and financial restrictions, UNHCR was urged to continue its efforts to find solutions to protracted situations, including through the Global Initiative on Somali Refugees and the Addis Ababa Commitment. The Office was encouraged to continue to strengthen the collaboration between humanitarian and development actors in the country of origin. Some delegations noted that voluntary repatriation was the preferred solution, but that it should be based on a thorough protection analysis. The pilot project to support the voluntary repatriation of Somali refugees from Kenya, launched in December 2014, was welcomed by some delegations, while others noted that the political environment in Somalia was not yet favourable for generalized returns. Concern was expressed over encampment policies in certain host countries, while States offering local integration opportunities were commended, particularly the United Republic of Tanzania and Zambia. The Committee noted that resettlement was an important tool for protection and burden-sharing, welcoming the 50 per cent increase since 2012 in the identification and referral of refugees for resettlement from Africa. Several delegations raised concerns about the lack of humanitarian access to internally displaced persons (IDPs), particularly those outside camps, including in South Sudan, Central African Republic and Nigeria. Support was expressed for the profiling exercise carried out by UNHCR for IDPs in Mogadishu, Somalia, and UNHCR was encouraged to take the lead with respect to providing assistance to IDPs and returnees in the Democratic Republic of Congo.

10. UNHCR's multisectoral and community-based approach to prevent and respond to sexual and gender-based violence (SGBV) was appreciated. With respect to irregular mixed movements, delegations welcomed the Khartoum Declaration and Plan of Action adopted in October 2014. The increasing number of States adhering to the African Union Convention for the Protection and Assistance of Internally Displaced Persons in Africa (Kampala Convention) was a positive development. Support was also expressed for the Economic Community of West African States (ECOWAS) Declaration on the prevention, reduction and elimination of statelessness in West Africa, adopted in February 2015.

11. Serious concern was expressed over the gaps in funding. Balance would be required to ensure that operations in Africa received sufficient resources, in spite of high profile crises in other regions, and that protracted situations received due attention among ongoing emergencies. UNHCR was encouraged to consider creative funding arrangements, including public-private partnerships. Delegations commended the work of UNHCR staff in the region, as well as the Office's efforts to lead effective regional responses through the refugee coordination model.

12. In response, the Officer-in-Charge agreed that emergency response must not come at the expense of efforts to achieve solutions. She expressed appreciation for the continued generosity of host States and reassured them of UNHCR's ongoing support. She stressed that UNHCR was committed to strengthening reception capacity inside Somalia, while in response to the Nigeria situation, the Office was scaling up human and financial resources in neighbouring countries. The Assistant High Commissioner (Operations) noted the interest of some delegations in further consultations on the Global Initiative on Somali Refugees.

(b) Americas

13. The Director of the Regional Bureau for the Americas briefed the Committee on achievements made to strengthen humanitarian responses in the region, particularly in the context of the commemoration of the 30th anniversary of the Cartagena Declaration on Refugees. She highlighted five areas: (1) consolidating comprehensive solutions and supporting the peace process in Colombia; (2) addressing displacement in Central America; (3) promoting the consolidation of common asylum space; (4) strengthening protection and solutions response capacities in the Caribbean; and (5) ending statelessness.

14. Regarding the Brazil Plan of Action, delegations stressed the importance of translating the commitments made into tangible actions at the national, sub-regional and regional levels, on the basis of shared but differentiated responsibility. Concern was expressed over the situation of people displaced, both internally and across borders, by transnational and organized crime, including unaccompanied and separated children. There was a need to strengthen national asylum systems by harmonizing asylum standards and practices through the quality assurance initiative. Low recognition rates and barriers to refugee status determination (RSD) procedures were also raised as concerns.

15. Many States pointed to the promotion of voluntary repatriation, local integration (including through naturalization) and resettlement to achieve comprehensive solutions for refugees in the region. They welcomed protection-sensitive migration schemes to facilitate human mobility. Delegations expressed support for UNHCR's efforts to help find solutions to the plight of IDPs in Colombia through the Transitional Solutions Initiative and to consolidate peace as part of the ongoing process. With respect to mixed movements by land or sea, emphasis was placed on the need for multilateral and bilateral agreements to enhance cooperation among Latin American and Caribbean States to protect individuals travelling across the region. There were numerous expressions of support for resolving the

problem of statelessness in the Americas, with a number of States noting their plans to accede to the statelessness conventions, enact legislation on nationality and adopt statelessness status determination procedures.

16. The Director applauded efforts undertaken by States in the context of Cartagena +30 to respond to humanitarian challenges in the region. With respect to Colombia, she announced that a Protection Cluster Coordinator would soon be appointed to assist with UNHCR's response in support of the peace process. She added that UNHCR will work to ensure that visa schemes allowing refugees and asylum seekers to stay in some States would take into consideration individual protection needs; suggested that labour mobility schemes for recognized refugees have built-in protection safeguards and that such schemes could be rolled out in other sub-regions; reiterated the importance of the Quality Assurance Initiative to strengthen asylum systems; and emphasized the need to strengthen child protection, especially for unaccompanied and separated minors displaced by organized crime violence in Central America.

(c) Asia and the Pacific

17. The Director of the Regional Bureau for Asia and the Pacific provided an update on developments in the region, focusing mainly on the Afghan refugee situation and Myanmar. On Afghanistan, she spoke about the positive political developments which had opened up opportunities for return and stressed the need for increased engagement from the international community, particularly development actors, to help the country on the path to peace and stability. It was absolutely essential to ensure that repatriation took place on a voluntary basis and in sustainable manner and that asylum space be maintained. In this context, she highlighted the pressures the main host countries face and their need for continued support. The Director also addressed the issue of irregular migratory movements, highlighting the need for countries in the region to provide protection to refugees and look for solutions in their own territories, either by providing legal status, temporary protection or other forms of protection (such as through labour migration schemes), rather than relying on resettlement.

18. Delegations stressed that it was important not to divert attention away from the Afghanistan situation, which was the largest protracted refugee situation in the world, despite UNHCR's being confronted with four level-3 humanitarian crises elsewhere. Tribute was paid to the decades-long generosity of the host countries, and the need for equitable burden-sharing and support to host communities was emphasized. The Committee highlighted the imperative of preserving asylum space and preventing any lapse of protection for refugees. Afghanistan was at a critical moment, with opportunities to pursue durable solutions. UNHCR was urged to step up efforts towards voluntary repatriation and strengthen its response to the acute internal displacement crisis. In terms of obstacles to return and sustainable reintegration, the slow pace of development, shortage of employment opportunities and insecurity were cited. The Office was encouraged to continue promoting the integration of returnees in national development plans and to collaborate with development actors on addressing chronic gaps. The importance of the Afghan Government being in the lead for refugee reintegration was stressed. Delegations welcomed the focus on the Afghan situation for the high-level segment of this year's Executive Committee plenary session.

19. Concern was expressed over the security and humanitarian situations in Kachin, Shan and Rakhine States in Myanmar, which had resulted in displacement and irregular migratory movements in the region. At the same time, there was hope that political developments in the country would allow for refugee returns. UNHCR's work on the resettlement of Bhutanese refugees, solutions for the remaining refugees in Nepal, and durable solutions for the remaining IDPs in Sri Lanka were also welcomed.

20. Concerned about shrinking asylum space in the region, delegations called on States to uphold the principle of *non-refoulement* and on UNHCR to spare no efforts in ensuring universal compliance with this norm. Worrying trends included lack of access to registration, lengthy registration and RSD processes, and inconsistent access to RSD. Member States emphasized the need for a protection-sensitive approach in managing irregular migration and trafficking, including within regional mechanisms. The importance of enhanced regional cooperation was also stressed, including the need to: address the root causes of movements in countries and areas of origin; ensure protection in transit and destination countries; and explore durable solutions on a burden-sharing basis. UNHCR was encouraged to ensure outreach to populations in urban areas, including through the use of cash-transfers, with particular attention to the needs of women and girls. The Office was requested to provide more information on the achievements and challenges in reaching people of concern in urban settings and share best practices throughout the region. UNHCR's activities to end statelessness and ensure the rights of stateless populations in the region were welcomed, and there were calls on governments to remove gender discrimination in their nationality laws.

21. In response, the Director stressed that, while working to improve the conditions in countries of origin, continued support to host countries and communities in the region was vital until voluntary repatriation was possible. On Afghanistan, she agreed that the Government must be in the lead and that there was new impetus to take the process forward. UNHCR would work with the three governments in the region on how to proceed with the Solutions Strategy for Afghan Refugees, using the high-level segment to build momentum. On Myanmar, she assured the Committee that UNHCR remained committed to working within the inter-agency framework to assist IDPs as well as stateless persons. In response to the comments on reaching urban populations, the Director noted that regional consultations would be held with staff and non-governmental organizations (NGOs) to look at best practices, with a view to strengthening responses to these populations.

(d) Middle East and North Africa

22. The Director of the Regional Bureau for the Middle East and North Africa and Regional Refugee Coordinator for the Iraq/Syria Situations described the dire humanitarian needs in the region and worsening security situation in and around the Syrian Arab Republic and Iraq. He stressed the need for greater financial aid and international solidarity to help ease the burden on refugee hosting States, noting that no country could absorb the consequences of this crisis without severe economic and social impact on their markets, infrastructures and communities. An update was provided on UNHCR's operations in Yemen and Libya, where there were growing humanitarian challenges. The Director also highlighted the need to address the situation in the Mediterranean through comprehensive regional approaches, and stressed that protection, including access to asylum and respect for the principle of *non-refoulement*, remained foremost among UNHCR's priorities.

23. The discussion mainly focused on the Syria situation. The Committee paid tribute to humanitarian workers operating in an extremely dangerous environment. UNHCR was commended for its continued efforts to address the crisis, particularly its work across borders and front lines to reach populations in need, strong field presence, use of innovative technologies for registration and cash-based assistance, and winterization programme. Key concerns raised included humanitarian access inside the Syrian Arab Republic, the increase in SGBV, and the security of humanitarian personnel. UNHCR was encouraged to reinforce its protection work, particularly on behalf of children, and to prioritize SGBV prevention and response for displaced women and girls. One delegation suggested that a comprehensive regional protection strategy be developed for both IDPs and refugees, taking into account shrinking asylum space in some countries.

24. UNHCR was urged to ensure that all refugees in the region receive access to equivalent services and to work with partners to extend protection and assistance to refugees in urban areas. Other populations of concern, including Somalis, Sudanese and Afghans, were present in the region and the assistance and protection they receive should be commensurate with that of the Syrian refugees. Host States were commended for their extraordinary generosity. International solidarity and burden-sharing needed to be fully realized as host countries had reached the stage of "exhaustion" and exceeded their limits in providing assistance to the refugees. Hope was expressed that the upcoming donor conference in Kuwait would help address the growing needs.

25. There was broad support for the shift in approach with respect to the Regional Refugee and Resilience Plan (3RP) and efforts to increase development assistance, which was critical to bolstering the resilience of the host countries to withstand this unprecedented crisis. Several Member States recalled their commitment to resettling Syrian refugees, in response to UNHCR's call to secure 100,000 places in 2015-2016. However, several delegations cautioned that the number of places would need to be substantially higher in order to ease pressure on host countries. States were called upon to expand their annual resettlement quotas and to consider other creative avenues beyond resettlement.

26. On Iraq, there were calls for unimpeded humanitarian access. UNHCR was urged to ensure that assistance reaches populations in urban areas and outside of the Kurdistan region, including around Baghdad and in the south of the country. There was also a call for a single coordination structure aimed at aligning and synchronizing the Iraq component of the Syria 3RP for refugees and the strategic response plan for IDPs in Iraq. On Yemen, UNHCR was encouraged to remain engaged and prepared to respond to new humanitarian needs as they arise. Regarding mixed migration, it was essential to build a stronger dialogue between countries of origin, transit and final reception, and to put in place more protection safeguards. Concern was also expressed over the rise in smuggling and trafficking.

27. The continuation of the confidence building measures programme and the family visits for the Sahrawi refugees living in the camps near Tindouf was welcomed. One delegation emphasized the need for sustainable solutions for the refugees within the framework of the UN peace plan and appealed for adequate levels of assistance. Another delegation insisted on the fundamental need for the registration of the population and appealed for maintaining the humanitarian character of the programme.

28. The Director expressed appreciation for the positive words and many suggestions put forward, which provided staff with the courage and motivation to do more. In relation to the recommendations contained in the independent evaluation of UNHCR's response to the refugee influx in Jordan and Lebanon, the Director clarified that prioritization was not taking place in response to the current financial situation, but rather was an ongoing exercise. In the framework of the 3RP, UNHCR was planning for a scenario of continued conflict, with a need to ensure sustainability of action. The Director also reaffirmed UNHCR's commitment to remaining engaged in Yemen.

(e) Europe

29. The Director of the Regional Bureau for Europe described key concerns related to international refugee protection around the themes of access to protection, quality of protection and solutions. With unprecedented numbers seeking protection in Europe, some countries had resorted to stricter border controls, sometimes resulting in push-backs, the extensive use of detention, a failure to register arrivals, or no access at all. In view of the high number of arrivals, rescues and deaths at sea last year, UNHCR has tabled a comprehensive proposal, the Central Mediterranean Sea Initiative, covering needs ranging from a predictable search and rescue operation to disembarkation, reception, profiling and

access to protection and solutions. This would necessitate greater responsibility and solidarity among European States, as well as increased availability of legal avenues for those in need of international protection, such as humanitarian visa programmes, extended family reunification, private sponsorship and study and labor migration schemes.

30. On the quality of protection, the Director noted that the Common European Asylum System contributed to improved legal and normative frameworks, but divergent application among States led to significant disparities in practice, as evidenced by a comparison of recognition rates, both overall and by nationality. These discrepancies result in an unequal distribution of refugees and asylum-seekers, such that two countries received nearly half of all asylum applications filed in the European Union in 2014. Meanwhile Turkey, hosting more than 1.6 million persons of concern, had adopted new asylum legislation and put in place a temporary protection regime for Syrians. The Director regretted the lack of progress in several protracted refugee and IDP situations and urged greater support for integration, while welcoming progress made by Estonia and Latvia to end the perpetuation of statelessness. Lastly, the Director highlighted the enormous challenges with regard to the humanitarian situation in Ukraine and thanked countries for their support and for hosting displaced persons from Ukraine.

31. Delegations expressed support for the Common European Asylum System while recognizing the need to ensure its full and effective implementation. Many shared concerns about the increasing numbers of migrants and asylum-seekers arriving across the Mediterranean; several reiterated the call for a comprehensive strategy, which would include robust search and rescue capacities as well as the provision of legal alternatives and new avenues for admissions, among other things. Many voiced their support for countries of transit and first asylum in improving their migration and border management, as well as their asylum and reception systems.

32. Delegations recognized the significant generosity of neighboring host countries and confirmed that they would continue to support the humanitarian response to the Syria situation, including through resettlement and other forms of admission for people in need of international protection. The deteriorating humanitarian situation in Ukraine also received attention, with the opening of the UN Office in Donetsk seen as an important means of reaching affected populations. Echoing the Director's remarks, Members urged all parties to abide by international humanitarian law governing humanitarian access and protection of civilians. Delegations appreciated UNHCR's advocacy for the establishment of appropriate legislative frameworks.

33. While delegations acknowledged UNHCR's effort to support the implementation of the Sarajevo Process and its Regional Housing Programme (RHP), some noted that thousands of vulnerable refugees remain in need of solutions. Agreeing that progress had been slow, the Director referred to the recent budgetary increase for the RHP for people willing to return to Croatia and recognized that additional progress, including on social security, will be important for sustainability.

34. In response to other questions, the Director appreciated the reassurance that naval assets operated under the Frontex-coordinated Operation Triton are also used in rescue at sea activities even if it is primarily a border protection operation. He highlighted the need to combat smuggling and trafficking and the value of regional cooperation through mechanisms such as the Khartoum process, while underscoring that these efforts must be complemented by credible legal alternatives to dangerous irregular movements. In relation to the Ukraine situation, he thanked delegations for the support provided in 2014 and encouraged donor countries to coordinate bilateral assistance to address the needs of the most vulnerable, to avoid duplication, to procure locally where possible, and to deliver assistance in ways that enable self-sufficiency rather than dependency and protractedness. The Director also called for the IDP legislation to be implemented throughout the country.

B. Emergency preparedness and response

35. The Director of the Division of Emergency, Security and Supply presented the report contained in EC/66/SC/CRP.3, emphasizing the importance of placing persons of concern at the centre of UNHCR's emergency response: achieving "protection by presence" through strong field capacity and delivery; ensuring preparedness; and employing a "stay and deliver" approach to ensure critical protection and assistance needs are met in high security situations. She also briefed the Committee on UNHCR's newly revised policy on emergency response activation, leadership and accountabilities, which was being implemented in the context of the Nigeria situation and Ukraine.

36. The Committee commended UNHCR for its efforts to strengthen preparedness and response capacities and in particular for its "beneficiary-centred" approach. Support was expressed for humanitarian workers operating in difficult environments with high security risks. UNHCR was encouraged to implement the *Joint UNHCR-OCHA Note on Mixed Situations* (Joint Note). Delegations welcomed the creation of multifunctional emergency teams on permanent standby and requested further information about their composition.

37. Responding to a question about implementation of the revised policy on emergency response activation, leadership and accountabilities, the Director undertook to keep the Committee informed of progress made. She welcomed the feedback on contingency planning and acknowledged that this had been a gap that UNHCR was working to address. With respect to the composition of emergency standby teams, the Director noted that senior level D-1 and P-5 staff would be made available to coordinate and travel to the deep field as required. Staff on the teams would be experienced, with a good understanding of coordination and partnerships, as well as a strong protection profile.

C. Global programmes

38. The Director of the Division of Programme Support and Management introduced the paper on global programmes (EC/66/SC/CRP.7), highlighting key developments, achievements and challenges of the past year and reporting on a broad range of operational activities. He emphasized that support for emergency response activities was an overriding priority, including ensuring the availability of technical specialists for rapid deployment to serve as first responders and guide coordination and implementation in critical life-saving areas.

39. Delegations expressed support for the progress made on implementation of the five-year global strategies. They welcomed the practical, cost-effective and innovative approaches in UNHCR's programming, such as the health information portal *Twine*; enhanced data and information management; the biometric-based registration system; cash-based interventions; UNHCR's Exchange platform, which provides refugees with access to learning opportunities; and other initiatives in the areas of shelter and settlement, and fuel and energy. With respect to cash interventions, delegations stressed the importance of having a monitoring and oversight framework. While there was support for UNHCR's policy on alternatives to camps, a number of delegations emphasized the need to consult host countries prior to developing such policies, particularly in relation to the need to measure and assess their impact upon host communities. Moreover, the alternatives to camps policy should not be considered a substitute for durable solutions, including voluntary return, and the willingness of refugees should be taken into consideration. States welcomed efforts to mainstream refugees into national education and health care systems. In the area of public health, UNHCR's response to the Ebola outbreak in West Africa was commended. States also conveyed their appreciation for UNHCR's education strategy, including its expansion to 25 priority countries.

40. The Director expressed appreciation for the encouraging interventions on UNHCR's global programmes and implementation of the five-year strategies, yet underlined that many challenges remained, such as the large number of children out of school in contexts such as the Syria crisis. With respect to alternatives to camps, he welcomed the opportunity for a deeper exchange with States on the new policy. He underlined that refugees' economic participation in host communities was positive, and that building the capacity and skills of refugees was valuable regardless of the eventual solution they achieved or the length of their displacement. Cash-based interventions served additional purposes in promoting dignity and enabling refugees to prioritize assistance themselves. He noted that evaluations revealed that cash alternatives pose similar issues as in-kind assistance in terms of diversion of resources, and indicated that the Office continues to strengthen assessment, targeting and monitoring of such interventions.

IV. Management, financial control, administrative oversight and human resources

A. Follow-up to the recommendations of the Board of Auditors on the financial statements for previous years

41. The Controller and Director of the Division of Financial and Administrative Management reported on UNHCR's follow-up to the Board of Auditors' recommendations on the financial statements for 2013 and previous years, as contained in EC/66/SC/CRP.4. She noted that the Board of Auditors had focused its 2013 review on the efficiency of UNHCR's administration and management of operations, including response to the Syria situation; the provision of health services; implementing partner management; inventory management; and financial matters. Addressing the Board's recommendations was a management priority for UNHCR, and the Office would continue improving procedures, systems and controls in order to mitigate the risks identified by the Board.

42. The Committee conveyed appreciation for the concrete steps taken by the organization to address the recommendations and for the informational matrices provided, which supported both transparency and organizational accountability. Regarding the recommendations related to UNHCR's operations, delegations welcomed the evaluation of the Syria operation and the biometrics registration system in Jordan, the improvements made to the fast-track procedures for emergency staffing, and the studies on cash-based interventions. Regarding the latter, UNHCR was asked to share with the Committee the results of the studies being undertaken. One delegation also highlighted the importance of multi-year funding, which was particularly useful in addressing protracted situations, and requested that donors who do provide such funding be able to see the benefits it brings. UNHCR's work on fraud prevention was appreciated, and the Office was asked to consider presenting a written update to the Standing Committee on actions taken.

43. In response to a comment about the Board's perceived lack of progress in the area of enterprise risk management (ERM), the Deputy High Commissioner highlighted the work that had been done thus far, including the issuance of an ERM policy and implementation procedures, the establishment of a Corporate Risk Register, the hiring of a Chief Risk Officer, and the assignment of responsibilities at the organizational level. While acknowledging that there had been a slow start, he assured the Committee that UNHCR was now well advanced.

44. With respect to the decision not to bring the internal audit function in-house, the Controller recalled that the United Nations financial regulations specified that internal audit should be conducted by the United Nations Office of Internal Oversight Services (OIOS).

The Deputy High Commissioner assured the Committee that the signing of a revised memorandum of understanding between UNHCR and OIOS had strengthened the relationship. While in the long-run it could be beneficial to the organization to bring internal audit in-house, UNHCR was satisfied with the arrangements recently agreed and the quality of services currently being rendered.

B. Oral update on the work of the Inspector General's Office

45. The Inspector General briefed the Committee on significant developments related to his Office since he reported to the Executive Committee in October 2014. Development of the 2015 inspection plan had benefitted from consultation among the Inspector General's Office (IGO), OIOS, UNHCR's Policy Development and Evaluation Service and UNHCR's senior management, and was grounded in a stringent risk-based approach. Building upon the revised memorandum of understanding reached between UNHCR and OIOS on the provision of internal audit services, several inspection missions would be jointly undertaken with OIOS, as well as with the World Food Programme. Moreover, some would include a pre-audit component. To facilitate post-inspection follow-up, the IGO had recommended the development of a corporate, online follow-up mechanism that would include the recommendations of all oversight functions within UNHCR. In the area of investigations, the IGO had developed an information-sharing protocol to facilitate communication with the Regional Bureaux and Representatives about ongoing investigations. The Office was currently developing a comprehensive vendor fraud policy, in response to recommendations from the Board of Auditors.

46. Delegations welcomed the Inspector General's continued efforts to strengthen his Office, including the approval of new positions and the close collaboration with other entities in the areas of risk-based assessment and management of oversight activities. The proposal to establish a comprehensive corporate follow-up mechanism was commended. In response to a question about the increase in complaints – including a 33 per cent increase in the number received in the year-to-date, as compared with the same period in 2014 – he suggested that this may be due to not only the expansion of UNHCR's global activities, but also the growing awareness and accessibility of the complaints mechanism. On the further strengthening and professionalization of his Office, the Inspector General expanded on efforts to implement the recommendations of the European Anti-Fraud Office (OLAF). Of the increased capacity recommended in terms of posts, 50 per cent had been requested and approved for 2015. Additional resources would be requested in 2016, should the financial resources be available.

V. Coordination and strategic partnerships

47. The Director of the Division of External Relations presented the paper on coordination and strategic partnerships contained in EC/66/SC/CRP.5, updating the Committee on implementation of UNHCR's refugee coordination model and the Joint Note. He also reviewed initiatives undertaken to strengthen partnerships with NGOs and in the context of durable solutions and statelessness.

48. The Committee considered the refugee coordination model and the Joint Note to be welcome developments for clarifying roles and responsibilities, avoiding gaps and strengthening operational delivery. Clear leadership was particularly important in crisis situations, and it was critical to maximize efficiencies given the growing gap between needs and resources. However, delegations cautioned that there needed to be flexibility in implementation, and that in mixed situations the provision of assistance should be driven by needs and not solely by the status of populations. It was also important to keep in mind the

distinct nature of the protection needs of refugees. Concern was expressed over the slow pace of the roll-out and implementation of the new modalities at the operational level. Despite good intentions, there were still unpredictable and disjointed practices in the field. It was important to build understanding of the different modalities among operational partners and to clarify the triggers for their deployment.

49. UNHCR was requested to regularly update the Committee on the roll-out of the refugee coordination model, including lessons learned. There was support for the increasing use of regional refugee coordinators and the resumption of joint missions to the field. Several delegations expressed an interest in receiving more information on the joint missions, including forewarning, briefings on the findings, and updates on operational implementation of the lessons learned. Delegations were pleased with UNHCR's support for the Transformative Agenda and continued efforts to inform the inter-agency discussions with its strong field presence.

50. In terms of cluster responsibilities in situations of internal displacement, UNHCR was urged to strengthen its leadership of the protection cluster and to ensure that protection was prioritized and properly addressed across all clusters. Delegations looked forward to receiving the independent whole-of-system review of protection in humanitarian crises by the Inter-Agency Standing Committee and to seeing what concrete actions would be proposed to ensure that protection outcomes were achieved more effectively and consistently. There was a need to strengthen co-leadership arrangements, including through establishing a common understanding of the meaning of "co-leadership." UNHCR was urged to ensure it had an adequate number of staff who were fully trained to be cluster coordinators. Regarding partnerships, delegations expressed concern that there appeared to be little awareness in the field about the High Commissioner's structured dialogue with the International Federation of Red Cross and Red Crescent Societies and NGOs. UNHCR was encouraged to fully implement at all levels the agreed principles of partnership. In terms of the current financial situation, UNHCR was urged to be transparent with NGOs and discuss with them as soon as possible any changes that could affect them, particularly potential cuts to project budgets and staff.

51. UNHCR's engagement in the preparations of the World Humanitarian Summit were highly valued, and there was support for the issues it had raised, including the centrality of protection, maintaining a focus on affected populations, and calling for better alignment of humanitarian and development assistance. There was support for UNHCR's efforts to put displacement on the development agenda and emphasis on the importance of partnership with development actors in order to assist and stabilize host communities and lay the groundwork for durable solutions. However, UNHCR could not be the only advocate for development assistance, and bilateral and multilateral development actors, in cooperation with host countries, needed to take more responsibility. The principle of international burden and responsibility sharing was also stressed, particularly for developing host countries with meagre resources. In terms of partnerships for solutions and the various initiatives being undertaken, UNHCR and partners should fully involve host countries, taking into account their national priorities.

52. The Director expressed appreciation for the support and advice of delegations. He assured the Committee that UNHCR saw the new coordination modalities as pivotal for greater effectiveness in the delivery of aid and that the Office was fully committed to their implementation in collaboration with partners. He concurred that agreements at the global level were of little use if not implemented at the local level. In this regard, the joint missions had been helpful in clarifying and addressing potential misunderstandings and finding practical solutions. Responding to a question about the criteria for choosing which coordination system to apply, the Director clarified that the decision was based on the recommendation of the field and depended upon both the response capacity of the actors

present and the various affected populations. He fully acknowledged the need to work closely with host governments and communities. In this regard, he welcomed Turkey's readiness to co-chair the Solutions Alliance. As a major host country, Turkey could speak with authority on these issues. In terms of partnerships, the Director took note of the lack of awareness of the structured dialogue in the field but believed that collaboration with NGOs was strong and that the new partnership framework was of added value in this regard.

VI. International protection

A. Oral update on follow-up to the High Commissioner's Dialogues on Protection Challenges (2012-2014)

53. The Deputy Director (Policy and Law) of the Division of International Protection presented an update on the three preceding High Commissioner's Dialogues on Protection Challenges on the themes of protection at sea; protecting the internally displaced; and faith and protection. She noted that robust follow-up activities had helped change perceptions of the issues examined, galvanized the support of a wider constituency of partners, and amplified advocacy. She emphasized the importance of the strong engagement of NGOs, which had generated a better understanding of the themes and goals of each Dialogue and supported follow-up.

54. Delegations expressed their appreciation for the High Commissioner's Dialogues, noting their importance and relevance in an increasingly complex environment. They were considered unique forums for substantive and open discussion, precisely because they were not meant to arrive at a negotiated outcome. Reporting on follow-up to the Dialogues further reinforced their relevance. With respect to the 2014 Dialogue, States commended UNHCR for choosing the theme of protection at sea, noting its timeliness and welcoming the proposed next steps, including reinforcement of cooperation with a broad range of partners. Delegations also expressed support for the follow-up actions taken by UNHCR on both the faith and protection and the IDP Dialogues, including reinforced internal positioning.

55. The Deputy Director thanked delegations for their active engagement in the Dialogues and their supportive comments. Responding to a question about the relevance of the UN Secretary-General's "Rights up Front" initiative to IDP situations, she said UNHCR saw this as an important protection tool in ensuring human rights and preventing violations. The Office was engaged in protection in most crisis situations, including as global protection cluster lead, and was supporting the initiative through the provision of protection analysis. In relation to the Dialogue on protection at sea, she concurred with the need for improved data collection and a better understanding of the drivers of sea movements, noting that data collection and analysis on Mediterranean crossings was an important component of the Central Mediterranean Sea Initiative. She also indicated that UNHCR was exploring the possibility of replicating the model of the Regional Mixed Migration Secretariat, based in Nairobi, in other regions.

B. Oral update on the ExCom conclusion

56. Noting that conclusions on international protection provided an important source of guidance on protection and solutions since first adopted in 1975, and recalling the support voiced at the sixty-fifth plenary session of the Executive Committee for resuming the conclusions process, the Rapporteur briefed delegations on the Bureau's reflections on the

way forward. Since last year's process, Member States had expressed a desire for greater predictability in the selection of themes, as well as for appropriate and sufficient groundwork leading up to the process of preparation and negotiation.

57. With these concerns in mind, and drawing from past experience, the Rapporteur proposed that the Committee consult on potential themes for a multi-year work plan. This would enhance clarity and predictability, while the longer lead-time would enable the Bureau to reinforce the preparatory process through the annual programme of work and the convening of expert briefings and consultations with partners. The documentation for the June meeting, which focuses on protection, could provide a source for the identification of themes; therefore, the Bureau had requested that UNHCR highlight more explicitly those areas where guidance in the form of conclusions might be warranted. The Bureau would also work closely with the new Assistant High Commissioner in relation to the protection vision for the years to come, particularly how conclusions could provide guidance in support of UNHCR's work. Finally, the Bureau was considering how its members could lend additional support to the Rapporteur's leadership of the process.

58. Member States welcomed the proposal and the constructive engagement of the Bureau. Several delegations and NGO observers commended the intent to strengthen linkages among the conclusions, the Committee's regular documentation, and other processes or events. Indicating a need to consult further on the idea of a work plan, one delegation felt that the Committee should, nevertheless, proceed with the negotiation of a conclusion this year, while another noted the need for flexibility given the fast-changing nature of the humanitarian world. The Rapporteur of the sixty-fifth session recalled the importance of principles that had guided the process last year, specifically: (1) the humanitarian focus; (2) the operational value of topics in addressing a void in the field, particularly in relation to the global strategic priorities; and (3) the consensual nature of the negotiations, including the principles of inclusivity, transparency and a balance between protection and solutions.

59. Expressing appreciation for these remarks, the Rapporteur indicated that he would reflect upon them in close cooperation with the Bureau and UNHCR, and would consider additional views and comments. The Senior Legal Coordinator in UNHCR's Division of International Protection welcomed the approach put forward by the Rapporteur and reiterated that the conclusions were deeply important to the Office as a source of the Committee's collective guidance on protection and solutions.

VII. Programme budgets and funding

60. The Controller and Director of the Division of Financial and Administrative Management and the Director of the Division of External Relations (DER) jointly presented the *Update on budgets and funding for 2014 and 2015* (EC/66/SC/CRP.6). The Controller reviewed the financial situation in 2014 and provided an update on the 2015 budget approved by the Executive Committee in October 2014, noting that six supplementary budgets had since been established. The Director of DER indicated that, despite the high level of funding, the gap between the 2014 budget and the contributions received amounted to some US$ 3 billion. He cited examples of the impact in various operations and highlighted the significant shortfall projected for 2015, in part due to major currency fluctuations.

61. The Committee recognized that 2014 was an unprecedented year for UNHCR, with simultaneous responses required to multiple large-scale crises. Delegations shared UNHCR's concern regarding the effect of recent currency fluctuations and appreciated efforts to minimize the impact on persons of concern. The importance of expanding

UNHCR's donor base was emphasized. UNHCR was congratulated for its progress in increasing private sector funding and was encouraged to further explore this source of revenue. Delegations welcomed UNHCR's transparency in providing information on increases and decreases to the budget, as well as the Office's continued efforts to enhance budget planning and management mechanisms generally. UNHCR was urged to maintain its transparency as it proceeded with prioritization to manage the shortfall. The fact that UNHCR had seen a doubling of its expenditures between 2010 and 2014 was acknowledged, and delegations requested further information on the steps UNHCR was taking to ensure adequate oversight.

62. In response, the Controller noted that UNHCR had taken steps to ensure adequate oversight and internal controls commensurate with the growth of the organization, including increased staffing of oversight entities. In response to questions about the operational reserve, she clarified that it was used for activities for which there was no provision in the budget approved by the Executive Committee (e.g., response to the Ebola outbreak). There was currently only one donor contributing to the operational reserve. The Director of DER confirmed that UNHCR would make all efforts to be transparent with the Committee as it undertook prioritization, and that it was committed to further diversifying donor funding and pursuing innovative ways to deliver humanitarian assistance. Responding to a question about additional supplementary budgets presently foreseen, the Head of the Donor Relations and Resource Mobilisation Service said UNHCR expected additional needs for the Nigeria situation.

63. The draft decision on funding and budgets for 2014 and 2015 was adopted (Annex).

VIII. Any other business

64. The Committee agreed that in 2015 it would continue the practice of reviewing and adopting reports by electronic circulation. The draft report of the sixty-second meeting of the Standing Committee would be circulated by 27 March 2015. Two weeks would be allowed for the Committee's review. Absent amendment, the report would be deemed adopted on 10 April 2015.

Annex

Decision on budgets and funding for 2014 and 2015

The Standing Committee,

Recalling the Executive Committee's decisions on administrative, financial and programme matters at its sixty-fourth and sixty-fifth sessions, (A/AC.96/1132, para. 15 and A/AC.96/1143, para. 13 respectively) as well as its discussions under the programme budgets and funding item at the sixty-first meeting of the Standing Committee in September 2014,

Reaffirming the importance of international burden and responsibility-sharing in reducing the burden on countries hosting refugees, especially developing ones,

1. *Recalls* that the Executive Committee, at its sixty-fourth session, approved original programmes and budgets for regional programmes, global programmes and headquarters under UNHCR's 2014-2015 biennial programme budget, amounting to $5,307.8 million and $5,179.5 million for 2014 and 2015 respectively;

2. *Recalls* that the Executive Committee, at its sixty-fifth session, approved revised programmes and budgets for regional programmes, global programmes and headquarters under UNHCR's 2014-2015 biennial programme budget (revised), amounting to $6,236.2 million and $6,234.4 million for 2014 and 2015 respectively;

3. *Notes* that the 2014 supplementary budgets amounted to $1,261.9 million for programmes benefiting refugees and internally displaced persons;

4. *Takes note* of the increase in UNHCR's 2014 annual budget to a final total of $6,569.7 million;

5. *Notes* that the 2015 supplementary budgets currently amount to $750.4 million for programmes benefiting refugees and internally displaced persons;

6. *Notes* the reduction of $158.4 million in the Middle East and North Africa region for 2015;

7. *Takes note* of the increase in UNHCR's 2015 annual budget to a current total of $6,826.4 million;

8. *Recognizes* that emergencies and unforeseen activities unfolding in 2015 may result in the need for additional or expanded supplementary budgets, and that additional resources, over and above those for existing budgets, would be needed to meet such needs; and

9. *Urges* Member States to continue to respond generously, in a spirit of solidarity and in a timely manner, to the High Commissioner's appeal for resources to meet in full the 2015 annual budget.

United Nations A/AC.96/1145

General Assembly

Distr.: General
2 July 2015
English
Original: English and French

Executive Committee of the High Commissioner's Programme
Sixty-fifth session
Geneva, 29 September-3 October 2014
Item 5 (a) of the provisional agenda
Consideration of reports on the work of the Standing Committee
International Protection

Note on international protection

Report of the High Commissioner

Summary

The theme of this year's note on international protection is the rule of law and its significance for UNHCR's work and for international protection and solutions. The note also reviews global developments since the last update, covering the period from June 2014 to June 2015. More in-depth information on advancements in areas not fully covered by this note may be found in: EC/66/SC/CRP.17 (community-based protection and age, gender and diversity); EC/66/SC/CRP.11 (statelessness); EC/66/SC/CRP.12 (alternatives to detention); and EC/66/SC/CRP.15 (solutions strategies). These documents are available from http://www.unhcr.org/standingcommittee.

Unless otherwise specified, all documents cited in this note may be accessed at www.refworld.org.

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Contents

Chapter		*Paragraphs*	*Page*
I.	Introduction	1-3	3
II.	Overview of emergencies	4-22	3
III.	Rule of law at the international level	23-29	6
IV.	Rule of law at the national level and protection systems	30-66	7
	A. Legislative and policy frameworks	32-38	8
	B. Access to asylum and reception arrangements	39-45	9
	C. Status determination	46-50	11
	D. Capacity-building	51	12
	E. Rights-based approach to the rule of law	52-57	12
	F. Specific needs	58-61	13
	G. Access to justice	62-66	14
V.	Solutions	67-75	15
VI.	Conclusion	76	17

I. Introduction

1. The past year was one of the most challenging in UNHCR's history, with an accelerated rise in global forced displacement. It was marked by a multiplication of new crises and continuation of existing emergencies, with the number of people displaced by conflict, violence, persecution and human rights violations reaching unprecedented levels.

2. Looking back, the scorecard on protection remained mixed, even contradictory. While many countries maintained open borders and generously hosted large numbers of refugees, despite the social and economic implications, there has also been a shrinking of asylum space and challenges in securing access to territory and protection in all regions of the world. Facing increasing protection risks, including sexual and gender-based violence (SGBV) and the forced recruitment of children, more and more refugees and asylum-seekers attempted dangerous journeys over land and across sea to reach safety. Internally displaced persons (IDPs) were denied protection in many places, and while significant strides were made in addressing and preventing statelessness, instances of arbitrary deprivation of nationality also took place. Against this backdrop, the need for a strong international protection regime has never been more apparent.

3. There has been increased debate surrounding asylum and migration in many countries, sometimes driven by misinformation, distorted perceptions and fears rather than by careful consideration. In this atmosphere, the concept of the rule of law[1] – reflecting the very foundations and building blocks on which societies have been constructed – provides a framework around which appropriate responses to the challenges posed by forced displacement and statelessness need to be addressed. The notion of the rule of law is grounded in a just and equal society. To break the cycle of political instability, persecution and conflict which lead to displacement, it is crucial to strengthen national institutions and governance, as well as to eliminate inequalities and abuse. These and other aspects of the rule of law are explored throughout this note.

II. Overview of emergencies

4. The reporting period was characterized by new, continuing and escalating conflict, generating complex emergencies involving massive internal displacement in many countries and across borders. Adding to the pressures of existing crises in the Central African Republic, Nigeria, South Sudan, the Syrian Arab Republic and Ukraine, violence resurged in Burundi, Iraq, Libya and Yemen. All of these situations are characterized by rule of law deficits. UNHCR supports measures to assist States in strengthening their systems of governance and responses related to displacement based on rule of law principles.

5. The contribution of host States in providing protection and assistance in emergencies, with support from UNHCR and its partners, is critical. Over the past year, UNHCR continued to implement its refugee coordination model and the joint UNHCR-OCHA note on mixed situations, which provide the framework for leadership in both

[1] In the United Nations, the rule of law concept refers to the principle of State governance in which all persons, institutions and entities, public and private, are accountable to laws that are publicly promulgated, equally enforced and independently adjudicated, and which are consistent with international human rights norms and standards. This includes measures to ensure equality before the law, fairness in the application of the law, the avoidance of arbitrariness, and procedural and legal transparency.

refugee operations and situations where a complex humanitarian emergency is taking place. By clarifying roles and responsibilities, the refugee coordination model makes UNHCR's approach to coordination more predictable and inclusive, and helps ensure that refugees and other populations of concern receive the protection and assistance they need. In support of the refugee coordination model, the High Commissioner designated six Regional Refugee Coordinators for the Burundi, Central African Republic, Iraq, Nigeria, South Sudan and Syria situations.

6. The war in the Syrian Arab Republic, which has now entered its fifth year, continues to cause loss of life and displacement on a large scale. Within the country, there are an estimated 12.2 million Syrians in need of protection and assistance, including 7.6 million IDPs. The number of Syrian refugees increased by more than 1.5 million refugees in 2014, bringing the total close to 4 million by mid-2015, of whom some 85 per cent reside outside camps. The host countries of Egypt, Iraq, Jordan, Lebanon and Turkey continued to provide protection and assistance to Syrian refugees. An increasing number of Syrian refugees, and Palestinian refugees fleeing the conflict in the Syrian Arab Republic, are seeking safety further afield, including through dangerous sea journeys.

7. More than half of the Syrian refugee population is under 18 years of age. UNHCR and its partners worked to strengthen protection and assistance for Syrian refugee children by supporting their inclusion in national child protection and education systems; engaging children and their families in the design and implementation of programmes; and providing specialized services to children with specific needs. In 2014, some 785,000 refugee children received psychosocial support and more than 34,000 children with specific needs benefited from specialized services.

8. The intensified conflict in Iraq has resulted in an additional 2.8 million IDPs, adding to some 900,000 who were already internally displaced in the country. Over 712,000 IDPs live in 426 camps and settlements, with most living in sub-standard conditions, lacking the most basic services. In support of the Iraqi authorities, UNHCR provides live-saving assistance, registration and documentation, and protection for the most vulnerable. There has also been an influx of Iraqi refugees and asylum-seekers elsewhere in the region, including Egypt, the Islamic Republic of Iran, Jordan, Lebanon, the Syrian Arab Republic, and Turkey, with nearly 190,000 registered by March 2015.

9. In Yemen, the security situation deteriorated significantly, with growing protection challenges as a result of weakened rule of law. The crisis has generated new waves of internal displacement and an outflux of Yemenis and persons of other nationalities, many of whom arrived in Djibouti and Somalia. A significant number crossed the Gulf of Aden in the reverse direction. UNHCR's programming to address the worsening humanitarian situation in the country has been limited to emergency and life-saving protection and assistance for the most vulnerable, where access is possible.

10. The situation in Libya remains volatile, with rising insecurity and criminality. There are an estimated 400,000 IDPs in the country, with some displaced multiple times as fighting spread to new areas. Access continues to be a concern, with humanitarian organizations unable to reach some areas. UNHCR leads all protection-related activities and coordinates the Libya protection working group, which was set up for organizations working from Tunis to support national colleagues inside the country. The already limited protection space for asylum-seekers and refugees in Libya has shrunk further as a result of the deteriorating security environment and breakdown in law, with rising xenophobia.

11. The deployment of United Nations peacekeeping forces in September 2014 brought hope for the gradual re-establishment of security in the Central African Republic. However, ongoing fighting between rival factions and human rights abuses targeting civilians continued to cause massive displacement. Since the fighting began in December 2013, 220,000 Central Africans fled the country, bringing the total number of refugees in

the neighbouring countries of Cameroon, Chad, the Congo and the Democratic Republic of the Congo to 465,000 as of May 2015. Some 463,000 remain internally displaced within the Central African Republic.

12. In South Sudan, fighting continues to displace thousands of people every week, despite renewed efforts to drive the peace process forward. Some 676,000 South Sudanese refugees are hosted in neighbouring countries and some 1.5 million are displaced inside the country. The humanitarian community is facing a number of challenges, including lack of land to host the rapidly increasing number of refugees, food ration cuts in Kenya and Uganda, and limited access to IDPs.

13. Nigeria experienced a rise in extremist violence and indiscriminate attacks against civilians in the three northern regions of Borno, Adamawa and Yobe, resulting in the internal displacement of over 1 million persons in Nigeria and some 130,000 refugees in neighbouring countries. Cross-border attacks into Cameroon, Chad and Niger presented security challenges for the region.

14. Pre-election violence in Burundi threatened to undo progress made since the country's civil war ended in 2005, after more than a decade of conflict, with over 105,000 Burundians having fled to the Democratic Republic of the Congo, Rwanda and the United Republic of Tanzania by mid-May 2015. UNHCR prioritized life-saving emergency protection and assistance, as well as contingency planning should the violence worsen.

15. The outbreak of the Ebola virus in West Africa in mid-2014 represented an entirely new element in UNHCR's emergency response. In the refugee-affected areas in Guinea and Liberia, UNHCR ensured that persons of concern were included in national prevention and response plans. Measures were also undertaken to prevent infection in the camps, including awareness-raising and the establishment of early detection mechanisms, and support was provided to the local response mechanisms in each country. The spread of the virus also resulted in the suspension of the voluntary repatriation programme for Ivorian refugees from Liberia, though this is now scheduled to resume in mid-2015, with the recently-announced eradication of Ebola in Liberia.

16. Despite other emergencies, the Afghan refugee situation remains among UNHCR's top concerns. Over the past few years, the rate of return to Afghanistan has been decreasing significantly. However, the recent political developments in the country offer greater opportunities to pursue durable solutions for the Afghan refugee population. UNHCR is working closely with the Government to ensure that the conditions for sustainable return and reintegration are in place. The Solutions Strategy for Afghan Refugees to Support Voluntary Repatriation, Sustainable Reintegration and Assistance to Host Countries, developed by the Governments of the Islamic Republics of Afghanistan, Iran and Pakistan, with support from UNHCR, remains an important framework for achieving this goal. The Office is working to reinvigorate support for the strategy.

17. In Myanmar, the ceasefire agreement, currently under negotiation, would represent a significant step towards ending decades of unrest. There are an estimated 265,000 refugees from Myanmar in the neighbouring countries. For the refugees in Thailand, UNHCR has intensified dialogue with stakeholders on both sides of the border in the design of a strategic roadmap for voluntary repatriation. In preparation, a verification exercise has just been completed in the refugee camps. Meanwhile, over 400,000 people remain displaced within Myanmar, many of whom were forced to flee in recent years following conflict in Kachine and northern Shan States and intercommunal clashes in Rakhine State. Within the inter-agency framework, UNHCR is leading the protection, shelter, camp coordination and management, and non-food item clusters, while continuing the search for durable solutions for all persons of concern.

18. Since the conflict broke out in Ukraine in 2014, over 2 million have been displaced, of which 1.2 million IDPs have been registered by the Ministry of Social Policy and 830,000 have sought protection in neighbouring countries. Civilians and IDPs have had their rights significantly limited through a series of regulations. The humanitarian situation of people living in non-government controlled areas is particularly worrying. This includes restrictions on freedom of movement, which often prevents civilians from reaching safety, trapping them within conflict zones with very limited access to essential goods and services. The economic situation has also impacted access to housing and livelihoods. In addition to providing technical advice on new IDP legislation and advocating protection for IDPs, UNHCR's response has included providing cash grants, non-food items and shelter assistance, with support from partner organizations.

19. In Central America, Honduras, El Salvador and Guatemala continued to be affected by violence perpetrated by transnational criminal groups, posing serious risks to local populations and affecting regional security. As a result, the number of asylum applications from these three countries almost doubled in 2014 compared to 2013. UNHCR estimates that approximately half of the unaccompanied and separated children in this region left their countries of origin in search of international protection. UNHCR plans to undertake a study on the rule of law challenges and other drivers of displacement for women and children in the region and is enhancing its presence in Central America.

20. Despite significant challenges, the peace dialogue in Colombia has brought the country closer than ever before to ending the 50-year conflict. However, ongoing violence continues to lead to displacement. According to official figures, 6.3 million people have been displaced over the course of the conflict and, during the reporting period, an average of 900 Colombians crossed into Ecuador each month, seeking international protection.

21. Climate change and related natural disasters are challenging protection responses and contributing to the drivers of displacement, while scarce natural resources, such as drinking water and arable land, are leading to food insecurity. UNHCR has contributed to the Nansen Initiative on Disasters and Cross-Border Displacement, which is a State-led consultative process that encourages a more coherent and predictable approach to protecting people displaced as a result of these phenomena. As the Nansen Initiative enters its final months, UNHCR looks forward to endorsement by States of the draft "Protection agenda for cross-border displacement," which outlines the way in which States can address gaps in the international legal framework.

22. Protection at sea, which has figured significantly on UNHCR's agenda during the year, is discussed in chapter IV (b) below.

III. Rule of law at the international level

23. The principle of the rule of law provides a conceptual framework to respond to contemporary displacement and statelessness challenges. Crafted through international treaties, general principles and customary law, the international protection regime reflects and expresses a form of "constitutional code of conduct" through which this may be achieved.

24. The Statute of UNHCR, the 1951 Convention relating to the Status of Refugees and its 1967 Protocol, the 1954 Convention relating to the Status of Stateless Persons, the 1961 Convention on the Reduction of Statelessness, the various regional refugee and IDP instruments, as well as relevant provisions of human rights and other instruments all form part of the overall legal framework setting out the rights of refugees, IDPs and stateless persons, and the responsibilities of States to provide protection and assistance. The principle of non-refoulement remains the cornerstone of the international refugee protection regime and constitutes a rule of customary international law.

25. The commitment of States to the protection of refugees and stateless persons is demonstrated by the large number of States parties to either or both of the 1951 Convention and its 1967 Protocol (currently 148) and the growing number of accessions to the two statelessness conventions. There were 13 new accessions to the statelessness conventions in 2014, bringing the number of States parties to the 1954 Convention to 86 and the number of States parties to the 1961 Convention to 63. Yet the number of States parties to the statelessness conventions remains relatively low, while there are a sizeable number of States parties that retain reservations to certain provisions in the 1951 Convention. In a welcome development, in 2014 Mexico withdrew reservations to Article 32 of the 1951 Convention and Article 31 of the 1954 Convention.

26. The Executive Committee's conclusions on international protection also make an important contribution to the international protection regime, advancing common understandings and standard-setting in many areas of protection and solutions. UNHCR invites the Executive Committee to give renewed attention to the adoption of conclusions on international protection. Potential themes could include reception and alternatives to detention, machine-readable travel documents, engagement and empowerment of youth, and self-reliance from a solutions perspective.

27. With respect to IDPs, the UN Guiding Principles on Internal Displacement guide States and other actors in providing protection and assistance to this population, drawing on existing international human rights and humanitarian law standards. December 2014 marked the second anniversary of the entry into force of the African Union Convention for the Protection and Assistance of Internally Displaced Persons in Africa (Kampala Convention), although there were no new accessions during the reporting period.

28. In terms of other regional initiatives, the adoption of the Brazil Declaration and Plan of Action in December 2014 reaffirmed the commitment of Latin American and Caribbean States to upholding the highest protection standards, implementing innovative solutions for refugees and other displaced persons and ending the plight of stateless persons.

29. From the perspective of its mandate, UNHCR supports initiatives aimed at developing and advancing the rule of law. It promotes common understanding of international standards through protection guidelines, technical advice and support to States and partners, research, data collection, court interventions, and monitoring and evaluation. UNHCR also supports the work of the United Nations human rights mechanisms, contributing, for example, annually to the Universal Periodic Review and other special procedures and mechanisms.

IV. Rule of law at the national level and protection systems

30. At the national level, respect for the rule of law requires States to provide a safe and rights-respecting environment, supported by a functioning judicial sector and other accountability structures. In response to displacement and statelessness, this means that domestic laws and policies need to be framed fairly and non-arbitrarily, taking into account age, gender and diversity considerations. Strong national law and policies governing displacement can lead to more effective responses in situations of crisis. By aiming to achieve legal certainty in the application of rules, as well as accountability, equity and transparency in governance, national protection systems based on the rule of law ensure that the displaced can exercise their rights freely, in accordance with the law. Civil society, the legal community and persons of concern play an important role in working with States and UNHCR to identify challenges and potential responses, and to advance accountability.

31. Protection systems built on the rule of law contain legal and policy frameworks that meet international standards and are supported by an administration of officials trained to employ a protection-sensitive approach. These systems allow access to territory and justice without discrimination and ensure the fair and efficient assessment of asylum claims. Furthermore, they ensure that refugees, asylum-seekers and stateless persons are able to exercise their rights and receive appropriate standards of treatment, with attention to specific needs.

A. Legislative and policy frameworks

32. The modern institution of asylum finds its expression in various international and regional human rights and refugee instruments. Article 14 of the 1948 Universal Declaration of Human Rights established the right to seek asylum, and the 1951 Convention supports its realization. The principle of asylum is also reflected in many national constitutions, including in Tunisia, where the newly adopted constitution guarantees the right to asylum.

33. Most States parties to the 1951 Convention and/or its 1967 Protocol have enacted relevant national laws. However, where such laws are not fully implemented or are frequently amended, the rule of law principle of legal certainty is undermined. At the same time, it is important that asylum laws are adequately reviewed and updated to ensure that they can address contemporary challenges. This facilitates oversight and helps prevent ad hoc approaches.

34. At the end of 2014, some 40 States were in the process of drafting or revising national refugee-related laws. A total of 19 laws were adopted during the reporting period, including in Albania, Rwanda and Sudan, which adopted laws on asylum. In Turkey, the Government issued a regulation on temporary protection. Many European Union Member States made progress in transposing into national law the recast asylum directives under the Common European Asylum System. Despite these advancements in some countries, there were worrying developments in others, including through the introduction of restrictive legislation or policy.

35. The concept of asylum can be traced back to ancient religious texts and traditions governing hospitality. Many refugee-hosting countries have not yet signed the 1951 Convention, yet their actual policies reflect many of the tenets of the 1951 Convention and demonstrate a generosity towards people seeking asylum that is deeply rooted in their traditions. Nevertheless, all countries are urged to accede to the refugee instruments. The rule of law is not only about predictability within States, it is also constructed on a common understanding between and among States. Predictability and accountability at the international level can help achieve cohesive protection responses and international solidarity underlies the entire protection regime.

36. In relation to statelessness, UNHCR is publishing a series of "good practices" papers to help States, with the support of other stakeholders, achieve the goals of its campaign launched in 2014 to end statelessness within 10 years. Each paper corresponds to one of the 10 actions proposed in the global plan of action developed to realize the objectives of the campaign. In 2015, UNHCR issued a "good practice paper" on removing gender discrimination from nationality laws. Related to this development, Niger and Suriname took concrete steps to remove gender discrimination from nationality laws. The Office has also issued good practice papers on accessions to the statelessness conventions and on resolving existing situations of statelessness. UNHCR and the Inter-Parliamentary Union released an updated version of the handbook for parliamentarians on nationality and statelessness, which supports governments in enacting legislative change by providing

examples of recent action taken by other States. In respect of nationality rights, the rule of law and the principle of non-discrimination require the equal treatment and equal exercise of rights between women and men.

37. In 2014, relatively few States undertook legal and procedural reforms to reduce or end statelessness on their territory, and a lower than average number of stateless people acquired nationality. In 2014, Georgia, after acceding to the 1961 Convention, reformed its nationality legislation. Turkey acceded to the 1954 Convention in 2014 and then established a statelessness determination procedure.

38. In some countries confronted with internal displacement, domestic legislation does not necessarily address the protection and assistance needs of IDPs. Several States developed, with UNHCR's support, national legislation or policies on internal displacement, most recently in Afghanistan, the Democratic Republic of Congo, Kenya, Nigeria, the Philippines, Somalia and Ukraine.

B. Access to asylum and reception arrangements

39. International protection, including protection from refoulement, begins with the ability of refugees and asylum-seekers to secure admission to territory. While many countries bordering the world's crisis zones demonstrated their commitment to international protection by keeping their borders open to refugees, other States confronted with security concerns and anti-foreigner rhetoric put in place restrictive measures to curb access to asylum. Closed borders, visa restrictions, increased surveillance measures and push-backs heightened the risks for people seeking safety in some countries. The inaccessibility of legal channels to travel has also led to growing reliance on smugglers and increased protection risks, including trafficking. Many deterrent and punitive measures, including non-consensual transfer and relocation agreements between countries, were preoccupying trends in some regions.

40. The challenges of protecting those travelling in mixed movements by sea are complex and ever more urgent with the increasing loss of life. In South-East Asia, it is estimated that some 88,000 persons undertook such journeys between January 2014 and March 2015. Meanwhile, movements across the Mediterranean towards Europe continued to exact a devastating toll on human life. In 2014, the number of people arriving by sea was estimated at 218,000 and some 3,500 people died or were reported missing in the Mediterranean. So far in 2015, there have been some 96,000 arrivals in Europe and over 1,850 lives lost at sea. Some 150 people were reported to have perished crossing the Gulf of Aden and some 100,000 arrived on the shores of Yemen during the reporting period.

41. Deaths at sea can only be fully addressed through collective will and commitment to saving lives based on agreed frameworks and protection principles. UNHCR's global initiative on protection at sea, which underpinned the High Commissioner's 2014 Dialogue on Protection Challenges, aims to support States to reduce the loss of life at sea; prevent exploitation, abuse and violence; and establish protection-sensitive responses. A strong consensus emerged from the High Commissioner's Dialogue that focusing only on deterrence or acting unilaterally would not stop the phenomenon but, instead, exacerbate the dangers endured and merely modify travel routes. UNHCR partnered with the International Chamber of Shipping and the International Maritime Organization to publish an updated version of a guide on rescue at sea and the principles and practice as applied to refugees and migrants. This guide may be understood as a rule of law tool, designed to establish predictability in rescue and disembarkation based on common practices and international legal principles.

42. The commitment to the rule of law in the context of movements by sea also relies on international solidarity and genuine burden and responsibility-sharing. UNHCR welcomes the European Union's tripling of resources for the Frontex-led "Triton" and "Poseidon" operations aimed at strengthening search and rescue in the Mediterranean, as well as the recently issued European Agenda on Migration, which includes an emergency relocation scheme for asylum-seekers in need of international protection from Greece and Italy to other countries in the European Union. In addition, an EU-wide resettlement scheme for 20,000 refugees is also being developed for those in need of international protection outside the European Union. The European Agenda on Migration also contains a labour mobility package and a new "skills initiative." UNHCR stands ready to further assist EU States in developing alternative legal pathways for persons of concern to reach safety. It also advocates similar measures to be adopted in other regions affected by mixed flows at sea, notably in South-East Asia.

43. UNHCR continues to support States in the implementation of the "10-Point plan of action on refugee protection and mixed migration." In Africa, UNHCR contributed to the development of the African Union-Horn of Africa initiative on human trafficking and smuggling of migrants. This led to the Khartoum Declaration and a strategy and plan of action that emphasize the sharing of best practices, greater cooperation at the regional and international levels, and the development of national strategies to address smuggling and trafficking. In 2014, the Regional Maritime Movements Monitoring Unit was established at UNHCR's Regional Office in Bangkok, with the objective of improving knowledge of mixed movements by sea in South-East Asia and informing more timely operational responses. Together with the International Organization for Migration (IOM), UNHCR supported the authorities in Yemen in the implementation of the recommendations contained in the 2013 Sana'a Declaration. The 2014 Brazil Declaration and Plan of Action recognize the challenges of addressing mixed migration in the Caribbean and foresee the establishment of a regional mechanism for consultation and response. All of these initiatives have reinforced inter-agency coordination, information-sharing and awareness-raising aimed at addressing the risks that refugees and asylum-seekers face from smuggling and trafficking networks. In 2015, UNHCR assumed the chairmanship of the Inter-Agency Coordination Group against Trafficking and also published a "Progress report on trafficking and smuggling from the East and Horn of Africa" and a trends analysis on refugee protection and international migration.

44. Consistent with international refugee and human rights law and standards, the detention of asylum-seekers should in principle be avoided. Instead, alternatives to detention that allow asylum-seekers to reside in the community, subject to certain conditions or restrictions, while their status is being resolved, are an essential component of legal systems based on the rule of law. UNHCR welcomes a number of positive developments in this area, including: the 2014 Inter-American Court on Human Rights advisory opinion on children, which highlights that the detention of children for migratory purposes should be the exception rather than the rule; Malta's commitment to end the detention of children; steps taken by Canada to further develop alternatives to detention at the national level; and the recommendation of the Parliamentary Inquiry Panel in the United Kingdom of Great Britain and Northern Ireland, which called for the introduction of a 28-day maximum time limit on detention.

45. To support States with such efforts, UNHCR launched in 2014 its global strategy "beyond detention" 2014-2019. Twelve focus country offices began working with authorities and partners to prepare national action plans. UNHCR also published options papers on alternatives to detention, which contained over 30 good practice examples, and held the second global roundtable on alternatives to detention in Toronto, Canada in April 2015, where States and civil society partners shared their experiences in this domain. Together with the Association for the Prevention of Torture and the International Detention

Coalition, UNHCR published a monitoring immigration detention practical manual, which aims to support the improvement of conditions in detention through independent visits. UNHCR held its first training for staff on the use of the manual, with support from the Inspectorate of Prisons of the United Kingdom of Great Britain and Northern Ireland. UNHCR also contributed to the UN Human Rights Committee's general comment N° 35 on liberty and security, which outlines what obligations States have to avoiding arbitrary detention.

C. Status determination

46. Refugee status determination procedures, based on fair standards and consistency in decision-making, are essential for the integrity of national asylum systems based on the rule of law. In line with its supervisory responsibilities, UNHCR continued to reinforce its handbook on procedures and criteria for determining refugee status through the development of thematic guidelines on international protection and other legal and policy guidance. It also issued its first handbook on the protection of stateless persons, which contains a section on status determination for this population. Consistent adjudication is also supported by UNHCR's country-related guidance, including eligibility guidelines and non-return advisories.

47. UNHCR maintained its engagement with States on quality assurance projects on status determination in many European and Latin American countries. One issue tackled by quality audits is credibility assessment. This was the subject of an expert roundtable held in Budapest in January 2015, aimed at improving asylum decision-making in the European Union. The Supreme Court of the United Kingdom of Great Britain and Northern Ireland's confirmation in 2014 that decision-makers should give considerable weight to UNHCR's mandate decisions was welcomed, as were a number of important judgments of the European Court of Human Rights and the Court of Justice of the European Union.

48. While many countries have functioning refugee status determination procedures in place, in other countries, UNHCR continues to carry out this key responsibility. Refugee status determination should be integrated into a broader framework of the rule of law, and be linked to adequate reception conditions and opportunities for durable solutions. Only States are able to do this, which raises concerns about the considerable responsibility falling on UNHCR in this regard and the sustainability of the Office's role in the longer term. For refugees whose status has been determined by UNHCR under its mandate, only 1 per cent will benefit from resettlement. Absent any official status in the country concerned, they will continue living in a situation of legal uncertainty, dependent on assistance and exposed to protection risks, including exploitation. In a record-high, UNHCR offices worldwide registered 245,700 individual asylum requests in 2014, 80 per cent of which were received in eight operations. UNHCR reiterates its call to States to assume responsibility for status determination – for both refugees and stateless persons – and stands ready to support these efforts through capacity-building, technical assistance and other measures. In the meantime, UNHCR continues to further strengthen the efficiency and integrity of its mandate procedures.

49. An important related development has been the issuance of UNHCR's first data protection policy in May 2015, replacing the internal confidentiality guidelines. This new policy comprehensively covers all aspects related to data protection for persons of concern, updating positions in light of current realities and legal developments, and seeking to ensure proper implementation in field operations.

50. Approximately a dozen countries have statelessness determination mechanisms and there is evidence of growing interest in establishing determination procedures globally. Turkey established a determination procedure in 2014, while Argentina, Brazil, Costa Rica, Iceland, the Netherlands, Panama and Uruguay were all working towards the creation of such procedures.

D. Capacity-building

51. Strengthening the capacity of decision-makers, including border guards, judges, law enforcement and other officials, to properly manage international protection cases, contributes to an effective protection system. As part of its rule of law activities, UNHCR works to improve awareness of and adherence to international protection standards through, for example, the annual refugee law and IDP courses for government officials at the International Institute of Humanitarian Law in San Remo, Italy, from which more than 280 persons benefited in 2014. UNHCR also supported the publication in 2015 of the 7th edition of the Refugee Law Reader, an online university teaching guide; contributed to guidance for the judiciary developed by the European Asylum Support Office; and engaged in dialogue with members of the International Association of Refugee Law Judges and regional courts. UNHCR's capacity-building work covers a wide range of initiatives, including training for law enforcement and border officials on the identification and protection of persons of concern in mixed flows in Djibouti; courses on statelessness in the Americas, Asia and the Middle East (one of which was developed jointly with the United Nations Children's Fund (UNICEF)); and training for police officers on forensic evidence collection and preservation in camp and host communities in Ghana.

E. Rights-based approach to the rule of law

52. A rights-based approach to the rule of law requires clarity on rights and responsibilities and the assurances of protection in a non-arbitrary environment. Globally, much progress has been made in advancing these notions in practice, although challenges remain in many locations.

53. Documentation is fundamental to the ability of persons of concern to exercise their rights, whether as refugees, IDPs, returnees or stateless persons. Without identity documents, these individuals may not be able to access essential services, such as health care and education, exercise property rights, and vote or obtain a passport. With this in mind, UNHCR expanded biometric registration in Egypt, Iraq, Jordan and Lebanon. The Office also welcomes measures taken by States to facilitate documentation, including the scaling-up of registration and documentation in Jordan and Turkey; mobile registration exercises in Venezuela (the Bolivarian Republic of); and the provision of documentation to returnees in Angola. With respect to the issuance of machine-readable Convention travel documents, UNHCR continued to collaborate with the International Civil Aviation Organization.

54. Birth registration is also an essential human right and a key child protection tool, as reflected in the Executive Committee conclusion on international protection No. 111 (LXIV). It helps prevent statelessness and enables access to services. Birth registration was highlighted as an important child protection measure in the "Sharjah principles" adopted at the Middle East and North Africa's first regional conference on protecting refugee children and adolescents, which took place in 2014 in the United Arab Emirates.

55. Ensuring that refugees have access to essential services is also reflective of a rights-based approach. In the countries hosting Syrian refugees, for example, the United Nations regional response plan (RRP6) maintains protection as its core objective, including access to essential services and material assistance to support the most vulnerable. However, the needs continue to grow and UNHCR advocates that assistance be provided in a sustainable manner that reduces the risk of aid dependency and bridges the gap until longer-term self-sufficiency can be restored. In support of refugee self-sufficiency, the temporary protection regulation in Turkey provides a range of rights for registered Syrians both in and outside the camps, including the ability to access the labour market. In the recast of the European Union Reception Conditions Directive, UNHCR welcomed the reduction of the waiting period for asylum-seekers before they are able to work.

56. UNHCR issued a new policy on alternatives to camps in July 2014, which promotes the creation of opportunities for refugees to live lawfully and independently in their communities and to be self-reliant. In many countries, formal and regulated access to the labour market is not provided, even though this would allow refugees to contribute positively to their host communities. UNHCR's global strategy for livelihoods 2014-2018 encourages an enabling environment for protection, which assists refugees in gaining lawful access to markets and supporting them to acquire the human, financial, social and physical capital required to work productively and to secure the basic necessities of life, such as food, water and shelter. The strategy has been rolled out in 15 country operations, where innovative ways of connecting refugees with employment opportunities were tested.

57. States, parliaments, courts, civil society as well as national human rights institutions play important roles in creating an environment in which refugees and IDPs are welcomed and their rights protected. In Afghanistan, Colombia, the Philippines and Uganda, UNHCR worked closely with national human rights institutions to enhance protection for IDPs. In some operational contexts, national human rights institutions participated in the inter-agency protection cluster mechanisms. UNHCR worked with the Kenyan Human Rights Commission in 2014 on the organization of a dialogue with Kenyan women on gender equality, identifying ways to enhance implementation of the country's revised nationality legislation.

F. Specific needs

58. Special protection measures for refugees at risk and other vulnerable individuals, such as victims of trafficking, have been established in law in many countries. In coordination with partners, UNHCR has continued to assist countries in building national protection systems based on the rule of law that promote gender equality and community-based interventions. UNHCR worked closely on the United Nations Committee on the Elimination of All Forms of Discrimination against Women (CEDAW) general recommendation on the gender-related dimensions of refugee status, asylum, nationality and statelessness adopted in 2014. In Europe, UNHCR was pleased to note the entry into force of the Council of Europe Convention on preventing and combating violence against women and domestic violence, which underscores the principle of non-refoulement and recognizes gender-related persecution as grounds for refugee status.

59. SGBV risks are often exacerbated as a result of protracted displacement, which can lead to family separation, negative coping mechanisms and lack of privacy. UNHCR continued to strengthen SGBV prevention and response by promoting gender equality, supporting national protection mechanisms, improving information gathering and analysis, strengthening advocacy and widening partnerships, including with the concerned communities. Major efforts were made in this area in response to the Syria crisis, where 90,000 survivors of SGBV received assistance in refugee host countries.

60. Ensuring that refugee children are included in national child protection and education systems have proved to be the most effective and sustainable way – even in emergency settings – to address the multiple protection risks that children face and to ensure access to quality education. In 2014, a number of States extended legal protection to safeguard the rights of refugee children. For example, a new law on the rights of children and adolescents was adopted in Mexico, incorporating recommendations from UNHCR to address the special protection needs of unaccompanied children seeking asylum in the country. UNHCR's framework for the protection of children (2012), education strategy 2012-2016, and its action strategy against SGBV (2011) complement these efforts and highlight the pressing need to strengthen child protection as an integral step towards peacebuilding and achieving sustainable solutions. UNHCR has supported States to establish best interest determination procedures and launched, together with UNICEF, guidance on measures that can be taken by States to address the growing number of unaccompanied and separated children in Europe.

61. While quantitative data on the number of refugee youth in UNHCR's operations is not available, this population clearly makes up a large percentage of persons of concern to the Office. Evidence suggests that one of the main gaps in implementing the age, gender and diversity policy is addressing the needs of youth. With limited access to post-primary education and no durable solution in sight, young people are often left in a state of limbo. In response to this finding, UNHCR has now supported more than 35 projects in 24 countries through its youth initiative fund established in 2013. The projects were designed and led by youth to address challenges which they identified within their communities, building on their capacities and empowering them.

G. Access to justice

62. The independent adjudication of claims is a key feature of legal systems governed by the rule of law. Two constraining factors in this regard are the failure to provide legal aid to those who need it and delays in affording a remedy. Refugees, IDPs and stateless persons face significant hurdles in accessing justice, including as a result of marginalization and poverty.

63. In an effort to secure access to justice for persons of concern, UNHCR provides financial and technical support to legal aid providers. In Colombia, Egypt, Kenya, Japan, Niger, Pakistan, South Africa and elsewhere, it has worked closely with civil society, lawyers and bar associations to address legal issues affecting persons of concern. In Colombia, UNHCR has assisted several universities in their efforts to provide legal aid for the displaced and, in the context of the peace dialogue, the Office advocates access to justice for IDPs and refugees. In many locations around the world, UNHCR also supports refugees in their own conflict mediation structures in refugee camps.

64. Colombia's Constitutional Court has ruled in favour of IDPs more than 150 times. Other domestic courts and judicial and quasi-judicial human rights bodies at the international and regional levels remain underused in efforts to ensure IDP protection. In 2014, together with relevant partners, UNHCR held a second annual roundtable in Geneva on strategic litigation, focusing on best practices. UNHCR has also continued to provide legal views to national and regional courts through third party interventions on issues concerning refugee and statelessness law. In 2014, UNHCR submitted 14 *amicus curiae* briefs in 11 different jurisdictions.

65. Impunity remains a major challenge in SGBV response. UNHCR hopes that the 2014 International Protocol on the Documentation and Investigation of Sexual Violence in Conflict will serve as an effective tool to promote accountability under international law. Recognizing that the deterioration of the rule of law often results in conditions that allow

crimes in general to go unpunished. UNHCR has taken steps to strengthen access to justice for survivors of SGBV. For example, UNHCR has conducted public information campaigns, facilitated access to legal representation and interpreters, and strengthened the capacity of lawyers and judges to adjudicate SGBV cases in many countries around the world. In Kenya, Ethiopia, Somalia and Uganda, UNHCR has supported State efforts to establish and administer mobile courts.

66. In the absence of prompt, structured and effective witness protection programmes, many survivors and their families withdraw from legal proceedings. In the Kakuma camp in Kenya, for example, refugees opted for legal action in only 72 of the 317 reported cases of SGBV in 2014, despite the majority having obtained legal advice. Improving access to justice also entails ensuring that refugees are educated about SGBV and women's rights; that women, men, boys and girls understand the support and remedies available if their rights are violated; and that law enforcement and formal and informal or customary justice mechanisms operate in a way that are not discriminatory in intent or effect.

V. Solutions

67. Continued instability and ongoing violence in several major countries of origin meant that far fewer refugees were able to voluntarily return home in 2014 as compared to previous years. More than 126,000 refugees returned to their countries of origin, albeit the lowest number since the early 1980s. The main countries of return were: the Democratic Republic of the Congo (25,200), Mali (21,000), Afghanistan (17,800), Angola (14,300), Sudan (13,100), Côte d'Ivoire (12,400), Iraq (10,900) and Rwanda (5,800). To ensure the sustainability of the returns, UNHCR emphasizes reintegration projects in areas of return.

68. In recognition of the link between solutions and the prevention of conflict, the United Nations Peacebuilding Fund is providing financial assistance for collective efforts to support the return and settlement of former IDPs and refugees in Kyrgyzstan. UNHCR's "seeds for solutions" initiative is funding similar efforts in Cameroon, Costa Rica, Ecuador, Ghana and Somalia. Work to ensure that refugees are consulted early in the repatriation planning stage has led to cross-border collaboration and in some cases direct engagement through tripartite commissions established to support return. Ensuring that refugees have a right to vote in elections in their countries of origin can also contribute to nation-building and foster opportunities for eventual voluntary repatriation.

69. In order to encourage sustainable return, UNHCR supports initiatives aimed at promoting confidence-building and peaceful co-existence as well as transitional justice. Housing, land and property disputes constitute obstacles to sustainable return which legal counselling programmes have helped resolve, including in Afghanistan. UNHCR and partners are supporting the authorities in the Democratic Republic of Congo, Georgia, Mauritania and South Sudan on a range of housing, land and property issues. In some cases, these initiatives were implemented in response to the Secretary-General's policy committee decision on durable solutions, and in others they were facilitated through partnership arrangements such as the transitional solutions initiative in Colombia.

70. Resettlement continued to serve both immediate protection needs and solutions, with some 105,000 individuals resettled to third countries in 2014. Meanwhile, UNHCR continued to explore the strategic use of resettlement in respect of several priority situations, including for Somalis in Kenya; Afghans in the Islamic Republics of Iran and Pakistan; Iraqis in the Syrian Arab Republic, Jordan and Lebanon; several nationalities in Turkey; Colombians in Ecuador; Congolese in the Great Lakes region of Africa; and Syrian

refugees in the Middle East. Processes to strengthen both the Working Group on Resettlement, to allow theme-focused discussions with more concrete outcomes, and the Annual Tripartite Consultations on Resettlement, were finalized in June 2014.

71. The prevention of fraud in resettlement processing remains a priority issue and one closely related to the rule of law. In 2014, UNHCR initiated a comprehensive review of its existing policy on addressing fraud perpetrated by refugees in the context of resettlement. This review aimed to expand guidance at all stages of case processing, including registration, refugee status determination and resettlement. A multifunctional steering committee was established in UNHCR to provide guidance and input to the drafting process.

72. In some situations, local integration is determined to be the most appropriate durable solution. In 2014, the United Republic of Tanzania resumed the process of local integration for some 162,000 former Burundian refugees and their children born after the last registration in 2010. By May 2015, some 149,000 citizenship certificates had been issued to the newly-naturalized Tanzanians, and they have been given the choice to remain in the settlements where they resided for decades or to relocate to other parts of the country. In Colombia, UNHCR works with the courts, the Land Restitution Unit and the Victims' Unit to facilitate the local integration of IDPs. In the Western Balkans, UNHCR continues to engage in finding solutions for the most vulnerable persons displaced as a result of the conflicts in the 1990s through the Regional Housing Programme.

73. While durable solutions remain elusive for the majority of the world's refugees, UNHCR is working with partners to strengthen resilience and self-reliance in the short-term, with the aim of decreasing dependence and preparing for solutions whenever they become available. Access to employment, skills training and education are critical for any future solution to be sustainable. UNHCR is advocating the pursuit of solutions-oriented strategies throughout the operational response, including from the outset of an emergency. This must involve wide-ranging partnerships. In this regard, UNHCR is seeking to address the issue of protracted displacement through the Solutions Alliance. In addition to working with local and national development partners on these efforts, UNHCR collaborates with the Food and Agricultural Organization, UNICEF, the United Nations Development Programme, the World Bank and the World Food Programme.

74. Through its engagement in the preparatory process of the World Humanitarian Summit, UNHCR has highlighted the need to focus on the centrality of protection as well as on solutions to protracted displacement crises by strengthening collaboration between humanitarian and development actors, and has urged that the post-2015 sustainable development agenda and national development plans be inclusive of all populations of concern. At the field level, UNHCR is working with development actors to contribute to the setting of national development priorities that will benefit IDPs, for example in the Central African Republic, Mali and South Sudan. The need for greater links to be established with development actors in order to find durable solutions to their plight is key.

75. Regional strategies can also generate critical impetus for solutions. The Solutions Strategy for Afghan Refugees to Support Voluntary Repatriation, Sustainable Reintegration and Assistance to Host Countries, and the Global Initiative for Somali Refugees are examples of fostering a solutions orientation through community-based investments in areas of return, in parallel with assistance to host communities, alternative temporary stay arrangements and resettlement. Labour mobility was identified in the 2014 Brazil Declaration and Plan of Action, alongside a renewed commitment by States to voluntary repatriation, local integration and resettlement.

VI. Conclusion

76. Framing international protection in rule of law terms provides an opportunity to reaffirm the international legal framework for protection of persons of concern to the Office, strengthen national protection systems and enhance humanitarian and solutions responses. Central to the rule of law are principles such as equal treatment, fairness and transparency. The rule of law also requires access of persons of concern to the rights to which they are entitled under international and national law. The need for all actors to renew their commitment to such fundamental rule of law principles and the international protection framework emanating from them has never been greater.

United Nations A/AC.96/1145/Corr.1

General Assembly

Distr.: General
21 August 2015
English
Original: English and Spanish only

Executive Committee of the
High Commissioner's Programme
Sixty-sixth session
Geneva, 5 - 9 October 2015
Item 5 (a) of the provisional agenda
Consideration of reports on the work of the Standing Committee
International Protection

Note on international protection

Report of the High Commissioner

Corrigendum

The corner notation in the mast-head of document A/AC.96/1145 should read as above.

GE.15-14194(E)

Please recycle

United Nations A/AC.96/1146

General Assembly

Distr.: General
6 July 2015
English
Original: English and French

Executive Committee of the High Commissioner's Programme
Sixty-sixth session
Geneva, 5 to 9 October 2015
Item 5 (b) of the provisional agenda
Consideration of reports on the work of the Standing Committee
Programme budgets, management, financial control and administrative oversight

Financial statements for the year 2014 as contained in the Report of the Board of Auditors to the General Assembly on the financial report and audited financial statements of the voluntary funds administered by the United Nations High Commissioner for Refugees for the year ended 31 December 2014

Note by the High Commissioner

GE.15-1510859 (E)
1510859

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1. The *Financial rules for voluntary funds administered by the High Commissioner for Refugees* require that: "The High Commissioner shall submit annual financial statements certified by the Controller and approved by himself/herself to:

(a) the United Nations Board of Auditors within three months after the close of each financial period; and

(b) the Executive Committee at its next session. He/she shall also submit to the Executive Committee the audit certificate, the report of the Board of Auditors and the report of the Advisory Committee on Administrative and Budgetary Questions thereon."[1]

2. The United Nations Board of Auditors has audited the financial statements for the year ended 31 December 2014. The full text of the Board's report, including the audited financial statements and the audit opinion, will be issued in due course for consideration by the General Assembly (Fifth Committee) under the symbol A/70/5/Add.6. The High Commissioner's response to the audit recommendations will be issued in due course as an addendum to this document (A/AC.96/1146/Add.1).

3. The Executive Committee is invited to consult document A/70/5/Add.6.[2]

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[1] A/AC.96/503/Rev.10, Art.11.3.

[2] To be posted, once available, on the Official Document System (ODS) of the United Nations and on the Executive Committee page of UNHCR's website.

United Nations A/AC.96/1146/Add.1

General Assembly

Distr.: General
7 September 2015
English
Original: English and French

Executive Committee of the High Commissioner's Programme
Sixty-sixth session
Geneva, 5 - 9 October 2015
Item 5 (b) of the provisional agenda
Consideration of reports on the work of the Standing Committee Programme budgets, management, financial control and administrative oversight

Financial statements for the year 2014 as contained in the Report of the Board of Auditors to the General Assembly on the audited financial statements of the Voluntary Funds administered by the United Nations High Commissioner for Refugees for the period ended December 2014

Report by the High Commissioner

Addendum

Key issues and measures taken in response to the Report of the Board of Auditors for 2014

GE.15-15126(E)

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Contents

Chapter		*Paragraphs*	*Page*
I.	Introduction	1-5	3
II.	Key findings relating to the 2014 financial statements	6-20	4
	A. Financial matters	6-18	4
	B. Financial management within the education programme	19	6
	C. Human resources management	20	6
III.	Main recommendations and measures taken	21-42	7
	A. Recommendation (paragraph 12)	22-23	7
	B. Recommendation (paragraph 23)	24-25	7
	C. Recommendation (paragraph 36)	26-27	8
	D. Recommendation (paragraph 45)	28-29	8
	E. Recommendation (paragraph 52)	30-32	8
	F. Recommendation (paragraph 55)	33-34	9
	G. Recommendation (paragraph 68)	35-36	9
	H. Recommendation (paragraph 89)	37-38	10
	I. Recommendation (paragraph 93)	39-40	10
	J. Recommendation (paragraph 100)	41-42	10
IV.	Other recommendations and measures taken	43-67	11
	A. Recommendation (paragraph 18)	43-44	11
	B. Recommendation (paragraph 25)	45-48	11
	C. Recommendation (paragraph 31)	49-50	12
	D. Recommendation (paragraph 59)	51-52	12
	E. Recommendation (paragraph 75)	53-54	12
	F. Recommendation (paragraph 78)	55-56	13
	G. Recommendation (paragraph 82)	57-58	13
	H. Recommendation (paragraph 83)	59-60	13
	I. Recommendation (paragraph 85)	61-62	14
	J. Recommendation (paragraph 104)	63-65	14
	K. Recommendation (paragraphs 113-114)	66-67	15
V.	Conclusion	68	15

I. Introduction

1. This report provides an overview of the key findings of the United Nations Board of Auditors (the Board) from its audit of the financial statements of the voluntary funds administered by the United Nations High Commissioner for Refugees (UNHCR) for the year ended 31 December 2014,[1] as well as measures taken or proposed by the Office in response to the main and other recommendations.

2. UNHCR prepared the financial statements for the period ended 31 December 2014 in accordance with the International Public Sector Accounting Standards (IPSAS). Following its examination, the Board concluded that the financial statements fairly presented UNHCR's financial position and its financial performance and cash flows for the year ended 31 December 2014 in all material respects and in accordance with IPSAS. During the course of the audit, the Board visited UNHCR headquarters in Geneva and Budapest, examined field operations in Ethiopia and Uganda, and conducted teleconferences with the operations in Jordan and Lebanon. The audit was conducted primarily to enable the Board to form an opinion on UNHCR's financial statements, and included a review of financial systems and internal controls, as well as a test examination of the accounting records.

3. The Board also reviewed UNHCR operations under United Nations financial regulation 7.5, which requires the Board to make observations on the efficiency of the financial procedures, the accounting system, the internal financial controls and, in general, the administration and management of operations. The Board has commented on UNHCR's financial position and other financial matters, and reported on two themes, the financial management of the education programme and UNHCR's strategic approach to human resources.

4. The Board reported key findings and issued 21 new recommendations in the following areas: (a) financial matters, including the management of physical assets; internal control and fraud risk assessment; the Managing System, People and Resources (MSRP) system upgrade; and understanding the cost of service delivery; (b) financial management within the education programme; and (c) human resources management. This document presents the Board's key findings and lists all recommendations issued, with an outline of how UNHCR plans to address the identified risks.

5. Concerning prior years, the Board noted that UNHCR fully implemented 27 of its recommendations from 2013 and previous years and is in the process of addressing 13 outstanding recommendations. The Board noted positive progress in implementing outstanding recommendations, in particular with respect to counter-fraud measures and the development of a strategic risk register, as recommended in the Board's 2012 report. The Board acknowledged that two of the outstanding recommendations issued in 2012 relate to the Global Fleet Management (GFM) Project, which is a multi-year project, and three recommendations issued in 2013 relate to the Syria operation, where the Board identified scope for wider applicability across UNHCR. A matrix containing additional information on the status of implementation and follow-up actions for outstanding recommendations made by the Board in previous years is available on UNHCR's website at www.unhcr.org/excom, under Standing Committee documentation.

[1] "Financial report and audited financial statements for the year ended 31 December 2014 as contained in the Report of the Board of Auditors to the General Assembly on the voluntary funds administered by the United Nations High Commissioner for Refugees for the year ended 31 December 2014" (A/70/5/Add.6), as referenced in A/AC.96/1146.

II. Key findings relating to the 2014 financial statements

A. Financial matters

1. Financial overview

6. The Board noted that UNHCR had a strong overall financial position at the end of 2014, despite a net deficit of US$ 304.8 million in 2014, which was mostly due to adverse movements in currencies and employee liabilities, together with a reduction in pledges relating to future year donations. It was further noted that the Office's management will be dependent upon quality financial information to enable it to be sufficiently agile in redeploying and prioritizing resources in the context of an increasingly challenging environment and increasingly earmarked donations.

7. The Board noted that uneven donor funding throughout the year impacts on procurement planning and creates year-end pressure to spend budget. The Board recommended that UNHCR continue its efforts to obtain greater certainty around the timing and earmarking of donations to improve forecasting. In response, UNHCR has noted that forecasting of donor contributions has been increasingly accurate over the last few years. UNHCR will further advocate with donors to increase predictability of funding, including by pursuing multi-year contributions and improving communications and information sharing with donors.

2. Management of physical assets

8. Since the adoption of IPSAS in 2012, financial reporting has provided management with a more comprehensive picture of resource utilization. The discipline of IPSAS reporting continues to drive improvement in stewardship and accountability for the use of assets, especially in inventory and property, plant and equipment (PPE). The Board continued its analysis, started in previous years, of the management of the vehicle fleet. It noted that the age of the vehicle fleet has been reduced through the sale of old vehicles as the GFM Strategy began implementation in 2014. The Board nevertheless emphasized the need for management to collect and report metrics to demonstrate whether the GFM Strategy is delivering the anticipated benefits. In this respect, UNHCR has contracted a study to identify mechanisms to monitor benefits and savings resulting from the application of the GFM Strategy.

3. Internal control and fraud risk assessment

9. The Board examined the operation of the internal control framework through the use of data analytics to interrogate the entire population across a range of specific controls in the areas of payroll, procurement and expenses. Given the nature and volume of the items identified, the Board considered that the risk of material fraud in these areas was low, but represented a weakness in the system of control. It therefore recommended that UNHCR makes use of data analytics to review compliance with key controls and that it integrates this requirement into a systematic process to identify control exceptions and unusual transactions. In response, UNHCR is planning to develop a systematic reporting procedure to assist in bringing control weaknesses to management's attention and to ensure that data analysis and reporting is configured within the financial systems upgrade.

10. Implementing partners are essential for the delivery of UNHCR's programme. The Board examined reports from partners and reviewed verification work performed in the offices visited. It noted that the quality and consistency of the reports examined has

improved, but scope remained to focus these verification visits on a risk basis. The Board indicated that it will continue to monitor the adequacy of controls related to partnerships in its future work.

11. In previous years, the Board expressed concerns regarding the absence of any systematic process to identify fraud risks and was of the opinion that the lack of such an assessment had contributed to the low level of reported fraud. Management has recognized the importance of strengthening its approach to fraud detection and prevention by initiating the Fraud Prevention Project. The Project focuses on the identification of key fraud risks and corresponding mitigation measures, by drawing on the knowledge of a working group consisting of staff from across various business areas and locations.

12. UNHCR has created a preliminary list of potential internal and external fraud risks, which are being assessed against the current control framework to identify any gaps in the mitigations and to assess the residual risk of fraud in UNHCR operations. This review will provide a sound basis for improving internal control, establishing staff training needs and encouraging a culture where staff can report concerns.

4. MSRP system upgrade

13. The upgrade of UNHCR's enterprise resource planning system, MSRP, will be central to providing management with more reliable and timely information to be used in decision-making, enabling resources to be deployed in the most effective and efficient manner to service beneficiaries. Management has identified 18 key priorities, focused on improved financial reporting and forecasting; better integration of revenue, budget and accounting systems; enhanced internal controls processes; and improved procurement and travel functionalities.

14. The upgrade project for the MSRP system started in late 2013, and the assessment of current processes was completed in August 2014. The conceptual design for the upgrade was agreed in December 2014 and selected system integrators are scheduled to commence work in August 2015. The upgrade is being undertaken as a fixed cost contract, with implementation expected to be completed in the first quarter of 2017.

15. The Board noted that a project steering committee has been put in place and that a risk log has been developed. However, to ensure effective governance of the project, the Board emphasized the need to conduct a regular review of project risks in order to assess the quality and timeliness of mitigation measures, and to prepare a clear statement of benefits against which the success of the project can be measured.

5. Understanding the cost of service delivery

16. The current costing methodology provides a practical approach to identifying and allocating costs, but the Board's analysis highlighted the need for further work to refine existing classifications. In this respect, the Board has identified some US$ 130 million of staff costs that require more detailed consideration and re-allocation. UNHCR has agreed to review cost classifications under the functional area of "executive and management" at the field level.

17. The Board noted that all expenditures incurred by partners are currently classified as programme costs, although some of these expenses represent the agreed level of 7 per cent covering administrative costs and overhead funding for international partners. The Board recommended that management disclose the overhead costs more transparently and scrutinize the other administrative costs that UNHCR funds under these agreements. In response, UNHCR has accepted to disclose in the future the total of its contributions to project headquarters support costs of international partners in an additional note to the financial statements.

18. The Board noted that improvements can be made to the Annual Programme Review (APR) process to enable stronger management review of cost challenges and better demonstrate the efficiency demands that programmes and country offices have had to respond to, and to record and summarize the key efficiency outcomes. UNHCR has a process in place to analyse, during the APR cycle, financial implementation by operations in order to evaluate their budget requests and proposed programme activities. For the APR 2016, UNHCR is committed to further strengthening its analysis capacity by designing and implementing an analysis framework to better support the financial review process.

Key issues/risks identified: profiling of donors, quality of financial information, cost effectiveness and efficient delivery of services to beneficiaries, cost classification of implementing partner expenses, efficiency of budget review process, managing changes derived from the MSRP upgrade project.

B. Financial management within the education programme

19. As part of its review of financial management, the Board examined how budgets are allocated, how costs are monitored and how sustainability decisions are made to inform funding priorities in the education programme. The Board found that UNHCR could do more, as part of the annual budgeting cycle, to examine the efficiency and cost-effectiveness of proposed operations and to refine the metrics that enable such analysis. The Board noted that the majority of educational expenditures were channelled through implementing partners, but did not find sufficient evidence that project agreements were fully driven by efficiency and effectiveness criteria. While the organization remained focused on monitoring actual expenses against the projected plan, the Board noted weak integration between the financial and performance systems, making it difficult to measure the cost effectiveness of UNHCR's interventions in a consistent and documented manner. As a result, the Board recommended strengthening the process of programme scrutiny to further challenge and document at headquarters level the cost effectiveness of proposed interventions, as well as developing essential performance metrics to enable comparison among country offices. UNHCR is committed to continued improvements in the area of cost effectiveness. Further, UNHCR is working on improving data management in education, including data on school retention and on integration within national systems.

Key issues/risks identified: selection of adequate performance indicators for programme assessment, availability of timely financial information to enable decision on budget allocations, analysis of the linkage between financial and performance data, as well as the use of resources versus outputs obtained.

C. Human resources management

20. Noting that staff numbers have increased rapidly by 20 per cent since 2011, the Board focused its review on strategic workforce planning, future workforce requirements, and staff capabilities and skills. The Board acknowledged the difficulties encountered by UNHCR in longer-term resource planning during emergency situations, but suggested that headquarters and country offices could do more in planning future staffing requirements, particularly for core functions, in order to better align the workforce with demand. The Board also considered that the process of staff redeployment was resource intensive and lengthy, and identified the need to streamline it and to provide better data to match individuals' profiles with jobs advertised. The Board recommended that UNHCR include human resources matters on the agenda at senior management meetings to give visibility to gender composition, recruitment times and skills gaps. UNHCR was also advised to identify the staff mix and capabilities that are required for the future needs of the

organization and ensure that workforce composition, capabilities and staffing needs are fully accounted for in medium- and long-term planning. UNHCR committed to including human resources matters on the agenda at senior management meetings on a more regular basis, and to submitting the key comparable workforce data of interest to the organization to senior management for periodic review.

Key issues/risks identified: workforce planning, skills shortage and timeliness of the recruitment process, ensuring right staff in the right place at the right time.

III. Main recommendations and measures taken

21. This section contains the main recommendations made by the Board, and measures taken by UNHCR in response. The recommendations of the Board are set out in italics, with reference to the relevant paragraph of the Report of the Board of Auditors.

A. Recommendation (paragraph 12)

22. *The Board recommends that UNHCR work with donors to improve the profiling of resources during the year to facilitate better forecasting, in order to minimize large year-end fluctuations and smooth procurement flows.*

Measures taken by the Administration

23. UNHCR will continue to work with donors to ensure increased predictability in funding. For this purpose, the following measures are undertaken: (i) organizing an annual pledging conference where donors announce their contributions for the coming year; (ii) organizing regular bilateral and multilateral meetings with donors, at both senior and working levels; (iii) pursuing the conclusion of multi-year framework agreements with major donors, which increase the predictability of funding and provide more information on core contributions and possible supplementary funds; (iv) updating donors' profiles with regular analysis of donors' official development assistance policies, budgets, funding mechanisms and priorities; and (v) improving web communication through the Global Focus website to increase the speed with which donors receive information from UNHCR.

B. Recommendation (paragraph 23)

24. *The Board recommends that UNHCR adopt data analytics to review compliance with key controls and build them into a systematic process to identify control exceptions or unusual transactions. Furthermore, management should seek to ensure the MSRP upgrade mandates separation of duties and facilitates exception reporting.*

Measures taken by the Administration

25. In the context of the MSRP upgrade project, UNHCR will implement two Governance Risk and Compliance (GRC) modules from Oracle (Application Access Control Governor and Transaction Control Governor). These modules include features enabling performance of analytics to assist in reviewing compliance with key controls. GRC also enables a systematic process to identify control exceptions or unusual transactions, and facilitates the control of separation of duties and exception reporting. UNHCR plans to implement Oracle GRC in the fourth quarter of 2016 or the first quarter of 2017.

C. Recommendation (paragraph 36)

26. *The Board recommends that the MSRP upgrade steering committee*

(a) Ensure that the key priorities are used to draw up a clear statement of benefits against which the success of the project can be measured.

(b) Enhance the MSRP project risk process by regular review of the project risk register to consider the quality of mitigation measures and the time frame for addressing identified risks, and to ensure that the register is regularly refreshed.

Measures taken by the Administration

27. UNHCR will develop a statement of benefits plan for the 18 key priorities already identified, against which the success of the MSRP Upgrade Project will be measured. The plan will be submitted for endorsement at the next meeting of the project's steering committee. The risk matrix and mitigation activities were presented in the "Final report on the MSRP Upgrade Project Conceptual design phase" submitted to the Information and Communication Technology Governance Board. The updated risks log, along with the updated mitigation strategies, will be regularly shared with the project's steering committee.

D. Recommendation (paragraph 45)

28. *The Board recommends that UNHCR further review its costs classifications and definitions, especially across functional types, such as executive and management grades at country and field office level, and the programme support functions based at headquarters and in capital cities.*

Measures taken by the Administration

29. In March 2015, UNHCR reviewed the budgetary classification of positions, taking into consideration related functions, and it reclassified some positions. In response to this recommendation, UNHCR will further review cost classifications under the functional area of "executive and management" at the field level.

E. Recommendation (paragraph 52)

30. *The Board recommends that*

(a) Funded overhead costs of international implementing partners included in partner agreements be reclassified as administrative costs in the disclosures in the financial statements;

(b) Management review its scrutiny of administrative costs within the budgets of implementing partners to better evidence as to how UNHCR achieves value for money from those agreements.

Measures taken by the Administration

31. In response to part (a) of this recommendation, UNHCR will disclose the total amount of UNHCR's contribution to project headquarters support costs of international partners as an additional note to the financial statements. UNHCR already provides information related to implementing partnership expenses in the notes to the financial statements, at the level of pillar and rights group and by type of implementing partner.

Other information on budget allocations at account, output, project and partner level, both in the field and at headquarters, is available and used for decision-making and verification purposes.

32. In response to part (b) of the recommendation, UNHCR will continue to strengthen the process of reviewing partner expenses. UNHCR already has procedures in place to review partner budgets in detail and substantiate the amounts budgeted against local costs and the particularities of the project under review. This review is conducted primarily by operations, supported by headquarters. Partners develop their budgets based on line item by line item costs, separately for each project, hence implementing partner costs are visible and subject to scrutiny. Through an internal policy issued in 2014, the rate for UNHCR's contribution to project headquarters support costs is fixed at 7 per cent, which is added to the total budget for the project and is intended to support international partners that operate outside of their country of origin in terms of their costs for providing administrative and oversight support to field-level projects.

F. Recommendation (paragraph 55)

33. *The Board recommends that management further develop the annual programme review process to build in a consistent framework to demonstrate the efficiency challenges to programme budgets and to record and summarize the key efficiency outcomes.*

Measures taken by the Administration

34. UNHCR has performance indicators in place to measure programme performance through several oversight mechanisms on budgetary and expenditure trends, such as the APR and the Mid-Year Review. Operational costs vary greatly between operations, due to many variables such as the operational life cycle and the location and nature of mandated activities. UNHCR currently assesses these variations before and during the APR process. UNHCR will further strengthen the financial review process by designing and implementing an analysis framework in the context of the APR to be conducted in 2016.

G. Recommendation (paragraph 68)

35. *The Board recommends that UNHCR review the existing scrutiny process, as there is an opportunity to further challenge and document the cost-effectiveness of proposed* [education] *interventions at the headquarters level. In doing so, UNHCR should review opportunities to include performance metrics which enable cost-effectiveness to be measured.*

Measures taken by the Administration

36. UNHCR will continue to improve in the area of cost-effectiveness. A working group will be established with the participation of relevant divisions (including the Division of Financial and Administrative Management, the Division of Programme Support and Management and the Division of International Protection) to review existing processes and guidance for the analysis of cost-effectiveness, both within field operations at the time of developing projects and related budgetary requirements, as well as at headquarters to support review processes. The working group will develop a guidance framework to assist operations in the review process, ensuring consistent analysis of cost-effectiveness across the organization.

H. Recommendation (paragraph 89)

37. *The Board recommends that, to be able to assess overall impact, UNHCR work towards collecting accurate* [education] *data on* [pupil] *retention and integration within national systems and define key performance metrics for all country offices.*

Measures taken by the Administration

38. Using existing systems and tools, and based on lessons learned from the field to date, UNHCR is working to improve data management in education, including with respect to school retention and integration in national systems. Several field missions have been carried out to assess gaps in how data is collected and analysed, and sessions on data management have been included in workshops organized by the Education Unit. Guidance on measuring the extent to which education is integrated into national systems has been developed and will be systematically disseminated to all country offices, including a checklist on key benchmarks for measuring progress on integration.

I. Recommendation (paragraph 93)

39. *The Board recommends UNHCR include human resources matters in the agenda at senior management meetings, thereby giving them visibility in terms of gender composition, recruitment times of ongoing and completed cases and skills gaps. The UNHCR senior management team should review comparable workforce data, as presented by the Board in Table II.11 and annex II, to determine its optimal use of resources.*

Measures taken by the Administration

40. UNHCR has agreed to include human resources matters on the agenda at senior management meetings on a more regular basis. Key comparable workforce data of interest to the organization, prepared by the Workforce Analysis and Business Intelligence Unit in the Division of Human Resources Management (DHRM) and informed by consultations between DHRM and relevant units, will be submitted to senior management for periodic review.

J. Recommendation (paragraph 100)

41. *The Board recommends UNHCR identify the staff mix and capabilities that are required in the future, in order to plan for where the organization will be in the medium and long term, and what its staffing needs will be. The human resources strategy should go some way towards supporting that aim. In addition, the workforce analysis and business intelligence unit should build up its understanding of the optimal composition of the workforce and the capabilities needed, in order to create a medium- and long-term staffing plan.*

Measures taken by the Administration

42. UNHCR is committed to significantly reduce the risk of misalignment of its workforce through several complementary initiatives. UNHCR's "People Strategy", to be released in the fourth quarter of 2015, foresees the establishment of systems to analyse trends that may affect demand for the number, location and skills of staff. The Strategic and Transformative Human Resources Service, under the authority of the Deputy Director of DHRM, will institutionalize workforce planning consultations with the divisions, the

bureaux and the Executive Office on a regular basis. In addition, DHRM's Business Intelligence Unit will strengthen its analytical capacity to better anticipate future staffing needs.

IV. Other recommendations and measures taken

A. Recommendation (paragraph 18)

43. *The Board recommends that, as management implements the global fleet management strategy for the period 2014-2018, it ensure that it collects the most appropriate metrics and data to assess and demonstrate the realization of the planned benefits as early as possible.*

Measures taken by the Administration

44. UNHCR has engaged INSEAD to conduct an independent assessment of the implementation of the GFM Strategy as at the end of 2014. INSEAD has completed its study and submitted a draft report, which is expected to be issued shortly. The study determined measures to assess the benefits of the GFM Strategy, such as the fleet size, average fleet age, and procurement cost. The study described various achievements and demonstrates that fleet size, average fleet age and procurement costs were reduced as a result of the GFM Strategy. UNHCR intends to annually update the assessment of the benefits using the same metrics identified in this study.

B. Recommendation (paragraph 25)

45. *The Board recommends that UNHCR enhance its internal verification processes to pay greater attention to developing risk-based verification plans; specifically consider the risk of fraud, and extend checks to ensure accountability for the use of assets acquired with project funds in prior years.*

Measures taken by the Administration

46. UNHCR continues to strengthen implementing partnership management through the Enhanced Framework for Implementing with Partners. The adoption of policies on improved monitoring of reports and risk-based verification of projects implemented by partners is on-going, and all operations are required to fully and consistently apply these policies by the end of 2016.

47. The Implementing Partnership Management Service (IPMS) is a key participant in the working group established in the context of the Fraud Prevention Project, which will thoroughly assess the risk of fraud in projects implemented by partners, among other fraud risks. The results derived from this exercise will be incorporated in relevant guidance to be issued as part of the Enhanced Framework for Implementing with Partners.

48. To strengthen the accountability exercised over the management of assets acquired with project funds, UNHCR has enhanced controls by introducing specific provisions regarding handling of assets by a partner in the standard project partnership agreement. Partners are required to establish and maintain records that allow for the tracking of all goods and property, secure UNHCR approval prior to disposal, and provide periodic reporting on these assets.

C. Recommendation (paragraph 31)

49. *The Board recommends that UNHCR establish a clear time frame to finalize the fraud risk assessments and mitigation plans for the most significant risks identified in the fraud prevention project. Furthermore, risk assessments should be used to inform the design of processes within the MSRP upgrade and of structured training for key staff in high-risk areas. The analysis should also be used to inform planning assessments carried out by* [the Office of Internal Oversight Services] *OIOS and the Inspector-General.*

Measures taken by the Administration

50. Risks identified through risk assessments have already informed the MSRP Upgrade Project, and UNHCR will ensure that these continue to be taken into account in the refinement of the conceptual design and implementation phases. UNHCR will also routinely share findings emanating from risk assessments with OIOS and the Inspector General's Office for their further analysis. With respect to training, UNHCR is developing a fraud awareness e-learning module and is exploring other means to educate staff. In addition, a Fraud Prevention Manual is being prepared that will provide operational guidelines for the implementation of UNHCR's Strategic Framework for the Prevention of Fraud and Corruption.

D. Recommendation (paragraph 59)

51. *The Board recommends that UNHCR, within the scrutiny process, build in an assessment of country office variances to define metrics by which to assess country plans, including expenditure per refugee per programme, variance in budgetary requirements being unmet, and instances of underspend and overspend compared with outcomes achieved.*

Measures taken by the Administration

52. In response to this recommendation, UNHCR is preparing a standard procedure for the evaluation of budget submissions that will take into consideration the review of the existing metrics used for assessment. UNHCR currently has a process in place to review budget variances. When budget changes are requested, a cost per capita analysis is performed in order to analyse the impact of such changes. UNHCR also reviews instances of underspending and overspending of approved budgets in relation to the achieved outcomes.

E. Recommendation (paragraph 75)

53. *The Board recommends that UNHCR standardize performance indicators, for example, by the maturity of the country's circumstances in delivering education services. In doing so, UNHCR should work closely with country offices to rationalize the selection of indicators and use only those deemed essential rather than being "nice to know".*

Measures taken by the Administration

54. UNHCR will provide further guidance on the selection of indicators, not only to specify a minimum level of indicators, but also to assist field offices to determine which indicators are appropriate to their situation and to eventually establish a maximum number of indicators. The Division of International Protection has already undertaken work to make

recommendations to field operations on minimum indicators for education, child protection and sexual and gender-based violence (SGBV) as part of an integrated approach for these protection areas.

F. Recommendation (paragraph 78)

55. *The Board recommends that, as part of the review of the global reporting framework, UNHCR include cluster themes as part of its reporting hierarchy.*

Measures taken by the Administration

56. UNHCR will discuss this recommendation with the Board in order to better define its scope. Currently, cluster themes are included in various reporting structures. For example, the Results Framework has an objective specifically covering "Coordination and partnerships strengthened", with outputs relating to "Coordination mechanisms established" and "Joint assessment, planning and evaluation exercises held". UNHCR's work within clusters is also reported through the Global Strategic Priorities under the area "UNHCR makes effective use of and contributes to improving humanitarian coordination mechanisms". The annual reporting exercise includes a specific requirement for UNHCR's operations to report on "Partnerships – coordination and contributions", summarizing the main achievements and challenges in inter-agency coordination, including cluster leadership.

G. Recommendation (paragraph 82)

57. *The Board supports the plans of UNHCR to use its Focus system to better link costs and outcomes in each of its business sectors. UNHCR needs to take a tougher, clearer stance on the importance of information on costs and service performance, particularly on linkages between enrolment in education, delivery and retention, and the impact of achieving good-quality education qualifications. Without such information, fully informed judgments on the value for money achieved, or the cost-effective targeting of assistance, are not possible.*

Measures taken by the Administration

58. While UNHCR's operations carefully review linkages between financial investments and outcomes, UNHCR recognizes that there is room for further emphasis on the importance of cost-effectiveness: that is, choosing the most effective combination of outputs to achieve maximum impact and ensuring that the identified outputs are executed in the most cost-efficient manner. These issues will be included in the deliberations of the working group referred to in the response to the recommendation contained in paragraph 68 of the Board's report and will be reflected in the guidance framework.

H. Recommendation (paragraph 83)

59. *The Board recommends that UNHCR headquarters issue central guidance to country teams on cost-effectiveness criteria in education services as an aid to decision-making and resource allocation in education programmes.*

Measures taken by the Administration

60. As mentioned in the response to the recommendation contained in paragraph 68 of the Board's report, a working group will develop a guidance framework to assist operations to undertake consistent analysis of cost-effectiveness across sectors.

I. Recommendation (paragraph 85)

61. *The Board notes* [in the context of education programmes] *that there are many cases of steps being taken to establish sustainable solutions. It recommends that such innovations are assessed for their success and, where positive, learning shared. Such interventions could be tailored around the level of maturity of the country concerned (for example, the cohesiveness of UNHCR relationships with Governments and delivery partners such as* [the United Nations Children's Fund] *UNICEF).*

Measures taken by the Administration

62. UNHCR has started carrying out some assessments of innovations, including good practices, being implemented within the education programme. Further assessments will be carried out in 2015, tailored to specific contexts, and shared with the field. Through the "Seeds for Solutions" initiative, UNHCR is piloting and documenting innovative approaches to comprehensive solutions. UNHCR's 2016-2017 Global Strategic Priorities will measure innovative aspects of solutions, which will inform future solutions planning and recommendations.

J. Recommendation (paragraph 104)

63. *The Board recommends that UNHCR learn lessons from staffing reviews, focusing on optimizing the use of resources. In conducting those reviews, UNHCR should engage with other United Nations offices to understand the extent to which core services can be shared across those offices in the respective countries and regions, including opportunities to upskill national staff to fulfil new and wider roles aligned to strategic objectives.*

Measures taken by the Administration

64. UNHCR will continue to conduct staffing reviews to analyse and, if needed, revise the internal structure of UNHCR's presence in a specific country in order to ensure optimal use of resources. Depending on the size, scope and operational context of UNHCR's operations in a given country, UNHCR will explore if and the extent to which services can be shared with other United Nations agencies present in the respective countries/region.

65. UNHCR remains committed to maximizing the potential of locally recruited staff members through appropriate upskilling, particularly for staff in the National Professional Officer (NPO) category, so that they are better able to perform functions currently carried out by internationally recruited staff members. In order to overcome existing external constraints, UNHCR will advocate for enhancing the use of NPOs during a review by the International Civil Service Commission scheduled for 2016, including to allow a broader range of individuals (such as permanent residents and individuals with legal working rights in the country) to be considered for NPO positions.

K. Recommendation (paragraphs 113-114)

66. The Board notes that UNHCR has an objective to consider how best to streamline the [deployment] *process, once the system upgrade has been completed in 2016. There are a range of options that could support that, and the Board recommends that management consider:*

(a) Limiting the number of posts staff can apply for, which should help to reduce the delays in sifting applications;

(b) Establishing a roster system so that posts can be classified against generic job profiles, as far as possible aligning capabilities to posts, and thereby reducing the volume of applications and the need for suitable candidates to go through the entire recruitment process;

(c) Setting targets for the number of staff in between assignments or beyond their assignment lengths;

(d) Whether certain core or technical specialized functions are exempt from the mobility model, depending upon operational need. That should then free up time for the human resources team to start thinking in a more strategic way about the needs of the business.

Measures taken by the Administration

67. UNHCR remains focused on developing better mechanisms to sift through applications and will look into all options to render the deployment process more responsive and timely. This includes the MSRP system upgrade, which will reduce or eliminate parts of the screening process that at present require human intervention. The screening response will also become quicker as a result of talent acquisition through enhanced profile-based recruitment, the acquisition of an Applicant Tracking System to better manage the influx of applications, and the introduction of technology to facilitate testing and interviewing of candidates via online channels. UNHCR will explore the establishment of indicators related to the number of staff in between assignments or beyond their assignment lengths, to be used in measuring the overall performance of the talent management and mobility processes.

V. Conclusion

68. UNHCR reiterates its commitment to addressing the recommendations made by the Board and to continuing to improve procedures, systems and controls in order to mitigate identified risks. The Board's findings and recommendations that have been accepted by UNHCR will help the organization to prioritize its resources in those areas where it is most exposed to risks.